

DAILY REPORT

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REPORTAGE ON WILLIAMSBURG SUMMIT EVENTS

Reagan, Nakasone Hold Talks

OW281716 Beijing XINHUA in English 1704 GMT 28 May 83

[Text] Washington, May 27 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone held talks with U.S. President Ronald Reagan at the White House today before travelling to Williamsburg for the seven-nation summit.

Their discussion focussed on how to make the summit a success as well as on relations with the Soviet Union and Japan-U.S. cooperation.

Emerging from the talks, Nakasone told interviewers that he will cooperate with President Reagan in making the summit meeting successful. The summit, he said, will bear a very important role to restore hope and confidence to world economy.

Nakasone again expressed his confidence that all the unresolved issues between his country and the United States can be solved through close and rational consultations.

Reagan said U.S.-Japan relations are very active and constructive following Nakasone's visit to the United States in January. He stressed the importance of continuing U.S.-Japan cooperation and expressed great concern for the Association of Southeast Asian Nations and other regions in Asia.

On East-West relations, the two leaders shared the view that the West should unite to launch a peace offensive against the Soviet Union.

Nakasone expressed the hope that "rational and constructive progress" in arms control negotiations will lead to a U.S.-Soviet summit "at the earliest possible date."

Seven-Nation Joint Statement

OW301134 Beijing XINHUA in English 1101 GMT 30 May 83

[Text] Williamsburg, May 29 (XINHUA) -- The summit meeting of the seven Western industrialized nations called upon the Soviet Union today to "contribute constructively" to the success of the U.S.-Soviet Geneva talks on Euro-missiles and not to divide the West on this issue.

The call was contained in a joint statement issued by the seven leaders. The statement was read to the press here by U.S. Secretary of State George Shultz, with other six foreign ministers seating beside him.

While stating that the seven countries shall maintain sufficient military strength "to deter any attack, to counter any threat, and to ensure the peace", the statement urged the Soviet Union to achieve "meaningful arms reductions" and reach "effective arms control agreements" with the West on the principle of equality and verifiability.

The statement reaffirmed that if no agreement is reached, "countries concerned will proceed with the planned deployment of the U.S. systems in Europe at the end of 1983."

It said the Soviet Union will fail in its attempts to divide the West by proposing inclusion of the deterrent forces of the third countries such as those of France and Britain and to avoid serious negotiation on arms control by seeking to influence public opinion in the Western countries.

The statement is regarded here as a response by the summit to the Soviet threat made on the eve of the summit that the Soviet Union will deploy INF in Eastern Europe if the United States places its cruise and Pershing II missiles in Europe. Shultz asserted in answering a question by the press that the statement is a message to the Soviet Union as well as to the public opinion in Western Europe. However, the leaders of the seven countries reportedly spent much time discussing the East-West relations, arms control issues in particular and the statement was a result of their compromise.

It is learned that foreign ministers produced three draft statements -- a strongly worded U.S. draft, a British version considered close to the U.S. position, and a West German position that was more moderate. During the debate, French President Francois Mitterrand, who asked the summit to give priority to the economic issues instead of missile problems, opposed a strong statement. Italy's position was close to the French. Canadian Prime Minister Pierre Trudeau supported a weaker statement.

Japanese sources disclosed that Prime Minister Yasuhiro Nakasone expressed concern that negotiations on INF aimed at Europe should not result in Soviet SS-20s being simply moved to the Asian part of the Soviet Union where they would pose threat to Japan and China. On the whole, most of the leaders at the summit sought further reassurance that the United States is pursuing all approaches on arms negotiations.

Economic Recovery Cooperation

OW301228 Beijing XINHUA in English 1205 GMT 30 May 83

[Text] Williamsburg, May 29 (XINHUA) -- Leaders of the seven Western industrialized countries expressed here today their willingness to cooperate with each other in promoting economic recovery, but their views on current economic problems still differed.

At the summit meeting here, leaders of the United States, Britain, France, Federal Germany, Italy, Canada and Japan spent much time in the past two sessions discussing economic problems such as the soaring U.S. deficit, high unemployment and erratic swing in currency values. During the discussions, French, Italian and Canadian leaders were reluctant to underwrite what they suggest is the Reagan administration's overly optimistic view that the world is recovering from recession. They took sharpest exception to the U.S. view that a general recovery, led by a resurgent American economy, would solve the high interest rate and help ease the unemployment of 22 million in the industrial nations.

French President Francois Mitterrand and Italian Prime Minister Amintore Fanfani took the lead in criticizing the high U.S. deficits and interest rates. They were supported to some extent by leaders from Britain, Federal Germany and Canada. They feared that because of the prospect of continued American deficits, interest rates will turn up to cut the recovery short. They said the only way to push along and extend the recovery is to assure lower interest rates. They also contended that the high interest rate caused by the American high deficit has lured away capital from Europe and elsewhere in the world.

But, U.S. President Ronald Reagan and other U.S. officials were at pains to explain U.S. position on these issues by insisting that economic recovery will turn down the interest rate and there is little linkage between high deficit and high interest rate.

Referring to Mitterrand's proposal for an international conference to discuss fixed exchange rates in the financial market, the United States told the summit that "it would be premature, it would get up false hope." The discord over the issue remained.

British Prime Minister Margaret Thatcher raised the question of the export administration act suggested by the Reagan administration to U.S. Congress. Thatcher and some other leaders regarded the act as an "extraterritoriality".

According to the act, U.S. Government has the right to ask American companies overseas or branches of American companies abroad not to sell certain products to certain countries in the name of national defense concerns.

Describing the mood of today's discussion on economy, U.S. Treasury Secretary Donald Regan said to the press that the leaders were "upbeat" and "there is no rancor or bitterness". However, a French spokesman said that the atmosphere was "cool", adding that "we are not without muscle".

Thatcher left Williamsburg this evening for home to resume her campaign for June 9 election. Foreign Minister Pym took her place at the summit.

BEIJING RADIO ON U.S.-SOVIET MISSILE DISPUTE

OW310450 Beijing Domestic Service in Mandarin 1150 GMT 30 May 83

["International Current Events" program talk: "The U.S. Soviet Dispute Over Guided Missiles Enters a New Round"]

[Text] The U.S.-Soviet talks on the reduction of intermediate-range nuclear missiles in Europe resumed in Geneva on 17 May. This is the fifth round of such talks since they began on 30 November 1981. This also indicates that the U.S.-Soviet dispute over guided missiles in Europe has entered a new round.

The United States and the Soviet Union have endlessly disputed the issue of guided missiles in the past 1 and 1/2 years. Their dispute has generally gone through three rounds. In the first round, they disputed over the zero option and the freezing of the status quo. Before the United States and the Soviet Union began such talks, U.S. President Reagan put forward the zero option on 18 November 1981. Reagan proposed that the Soviet Union withdraw all of its landbased intermediate-range missiles from Europe, then the United States would not deploy Pershing II and cruise missiles in Western Europe. The Soviet Union opposed this proposal holding that it actually called for unilateral disarmament by the Soviet Union. Then, the Soviet Union proposed two choices: One was that both sides withdraw all their nuclear weapons from Europe so that there would be no intermediate-range or theater nuclear weapons in Europe. This Soviet proposal was directed against the U.S. nuclear force in Western Europe and the nuclear weapons possessed by Britain and France and it would have little effect on the Soviet Union itself for it would only remove similar Soviet weapons in its Asian region. When necessary, such Soviet weapons could also be used to attack Western Europe. The other choice is: The Soviet Union advocated the freezing of nuclear weapons in Europe at their present level and followed by the holding of discussions by the two sides on the equal reduction of nuclear weapons. This is called the plan for freezing the status quo. According to this plan, the Soviet Union would be able to keep its intermediate-range missiles in Europe, but the United States would be unable to deploy new missiles in Western Europe.

Thus, it can be seen that both the U.S. zero option and the Soviet plan for the status quo freeze were aimed at putting the other side in an unfavorable position. Both sides did not speak the same language. The second round began when the Soviet Union put forward a new proposal last December. Shortly after assuming power, Soviet leader Andropov proposed that the Soviet Union would reduce its intermediate-range missiles to the combined total of the missiles held by Britain and France if the United States would not deploy new missiles in Western Europe. Compared with past Soviet proposals this one contains some changes: It was the first Soviet indication that landbased intermediate-range missiles may be discussed first, and then other intermediate-range weapons. However, this proposal was essentially aimed at scrapping the U.S. plan to deploy new missiles in Europe so that the Soviet Union would be able to continue maintaining its superiority in intermediate-range missiles. To free himself from a passive position, Reagan made public an open letter to the European people on 31 January of this year. He proposed a meeting with Andropov and that they sign an agreement banning all U.S. and Soviet landbased intermediate nuclear missiles. This is obviously empty talk which only indicated the U.S. rejection of the new Soviet proposal.

Not long ago, the third round began. On 30 March, Reagan proposed that the United States and the Soviet Union reach an interim agreement on the reduction of landbased intermediate-range missiles to an equal level. In other words, the United States would substantially reduce its planned deployment of missiles if the Soviet Union would cut back the number of its warheads on landbased intermediate-range missiles to an equal level on a global basis. Reagan also stressed that the Soviet Union, while reducing its missiles in Europe, should not increase its missiles in its Asian region. The Soviet Union rejected Reagan's proposal, holding that it was actually a refurbished version of the zero option. On 3 May, Andropov put forward another new proposal stating that the Soviet Union is willing to reach an agreement with the United States on the balance of nuclear forces in Europe, including both means of delivery and warheads. Andropov also said that this agreement should take relevant British and French weapons into account. In this proposal, the Soviet Union agrees to use warheads as a counting unit for reduction, but stresses the balance of nuclear weapons between the Soviet Union and various NATO countries. In essence, this proposal is still aimed at limiting U.S. nuclear force in Europe.

The three rounds of dispute show that although both sides have put forward one proposal after the other, they are in two diametrically opposed positions. To contend for hegemony from the position of strength, the United States and the Soviet Union have been continuing to seek an opportunity to gain military superiority. The Soviet policy is to do everything possible to stop or defer the U.S. planned deployment of new missiles in Europe in order to maintain its nuclear superiority in Europe. The U.S. strategy is to use the zero option and interim agreement to compel the Soviet Union to make concessions and to reduce its nuclear force in Europe. The U.S. and Soviet representatives engaged in a battle of words even before the start of the fifth round of talks. Soviet representative Kvitinskiy criticized the United States for continuously obstructing the talks which had gone on for 18 months and for attempting to force the Soviet Union to unilaterally reduce its arms. He said: Andropov's proposal is completely fair and reasonable while the U.S. plan is unacceptable.

U.S. representative Nitze declared that the Soviet Union still holds on to its unacceptable conditions in the talks on nuclear weapons. He held that Reagan's proposal for reaching an interim agreement provides an opportunity and a motive force for making progress. Thus, it is not difficult to see that the contention between the United States and the Soviet Union will be fierce in the current round of talks.

CHINA DAILY DELEGATION LEAVES FOR U.S.

HK290312 Beijing CHINA DAILY in English 29 May 83 p 1

[Text] A CHINA DAILY Delegation headed by Publisher Jiang Muyue is leaving for the United States this morning [28 May] for the June 1 inauguration of the North American edition of the paper.

The delegation includes Editor-in-Chief Liu Zhunqi, Managing Editor Feng Xiliang and Deputy Editor-in-Chief Zheng Defang. Feng is already in New York.

The inaugural issue of the new edition will include a special supplement, containing articles contributed by well-known figures from China, the U.S. and Canada. Among these contributors are Chinese State Councillors Bo Yibo and Huang Hua, Lu Jiaxi, president of the Chinese Academy of Sciences, Zhang Wenjin, Chinese ambassador to the U.S.; George Bush, vice-president of the United States, Arthur Miller, U.S. playwright, Arthur W. Hummel Jr., U.S. ambassador to China; and Michel C. Gauvin, Canadian ambassador to China. With the launching of the North American edition, the editors of CHINA DAILY hope to continue the improvement of relations between China and the Western world. [Beijing XINHUA in English at 0127 GMT 28 May adds: "Among the contributors are Bo Yibo, Huang Hua, Lu Jiaxi, Rong Yiren, Wang Yaoting, George Bush, Zbigniew Brzezinski, David Rockefeller, John Fairbank and Michel Gauvin."]

RENMIN RIBAO ON U.S.-SOVIET GRAIN TRADE

HK270946 Beijing RENMIN RIBAO in Chinese 24 May 83 p 7

["News analysis" by Lu Haoqing: "In Whose Hand Is the 'Grain Weapon'? -- On the Difficult Position of the United States in the U.S.-Soviet Grain Trade"]

[Text] U.S. Secretary of Agriculture John Block announced on 17 May that the Soviet Union has accepted the proposal made by President Reagan on 22 April concerning the desire of the United States to carry out talks for a new long-term grain agreement with the Soviet Union. The U.S. media hold that the new talks will be a fierce exchange of bargaining.

The United States and the Soviet Union are still carrying out the 5-year grain agreement for 1976-1980. Based on this agreement, the Soviet Union can purchase 8 - 25 million tons of grain a year from the United States. After the Soviet Union sent its troops into Afghanistan, the Carter administration declared a partial grain embargo against the Soviet Union in January 1980. When Reagan took office, he called off the embargo and also extended the expiry date of the 5-year grain agreement in 1981, and again in 1982. The second extension, which began on 1 October 1982, will expire on 30 September this year. The proposal made by Reagan on 22 April was for the sake of reaching a new long-term grain agreement through talks with the Soviet Union.

Some U.S. newspapers held that this action of President Reagan's has changed the U.S. Government's former stand on imposing sanctions upon the Soviet Union. As a matter of fact, this change has taken no one by surprise. Prior to this, the U.S. Government has repeatedly announced the hope of increasing grain exports to the Soviet Union, and assured the Soviet Union that the United States is a "reliable grain-supplying country." In its grain transactions with the Soviet Union, the United States makes no effort whatsoever to cover up its eagerness to sell. In contrast, the attitude of the Soviet Union is rather cool.

According to reports in Western media, as far back as the U.S.-Soviet grain talks held in Paris last May, Soviet officials had expressed disagreement over the raising of the minimum quota set on U.S. grain to be purchased by the Soviet Union. During the grain trade talks held by U.S. and Soviet representatives in Vienna last October, the Soviet representative, on the one hand, whetted the appetite of the United States by saying that the figure of 23 million tons of grain which the United States was prepared to sell to the Soviet Union was "most appropriate"; on the other hand, he also said, "Like any smart businessman, I want to wait for the right timing to buy low and sell high."

According to reports, the Soviet Union has experienced four consecutive years of poor harvest. For the sake of enhancing its position in the grain trade, it has not made public its actual grain output for the last two years. As the biggest grain-exporting country of the world, why is the United States again softening its tone and hoping that the Soviet Union will purchase the "grain weapon" in its hands? It appears that the main reasons are:

1. There is an oversupply in the world grain market at present. The price of grain is falling, and competition among the grain-exporting countries to offload grain is very intense. In recent years, the principal grain-producing countries have enjoyed bumper harvests for several years in a row, and the stock of reserves is constantly increasing. According to the U.S. Department of Agriculture statistics, world grain output will reach the record figure of 1.66 billion tons for 1982-1983. At the end of this grain-selling year, total grain reserves in the world may reach 250 million tons, or the highest reserve for more than 10 years.
2. Since the carrying out of a partial grain embargo by the United States against the Soviet Union in 1980, the Soviet Union has gradually changed from its former condition of mainly relying on the import of U.S. grain and has strived to achieve diversification in grain source. According to statistics, some 70 percent of the grain imported by the Soviet Union between 1972 to 1980 came from the United States. At present, the import of U.S. grain has fallen to only about 20 to 30 percent. During this period, Canada has increased its grain exports to the Soviet Union 100 percent, and Australia and Argentina have increased their Soviet grain exports by 200 percent and 300 percent, respectively.
3. The most important reason is the increasingly serious crisis of agricultural surplus in the United States itself, and this has exacerbated the dependency of U.S. agriculture on the international market. U.S. grain production has reaped bumper harvests for three years in succession. However, because of the global economic recession in the Western world, agricultural products are not selling well and the grain price has fallen. Furthermore, the high U.S. interest rate and the strength of the U.S. dollar has greatly weakened the competitiveness of U.S. grain. According to the figures released by the U.S. Department of Agriculture, gross export value of U.S. agricultural products last year had fallen from the \$43.8 billion of the previous year to \$40.5 billion. Net agricultural income also decreased from the \$19.6 billion of the previous year to \$19 billion, the lowest level since 1933, and not enough to repay even the interest (\$20 billion) on loans borrowed by the farm owners. The estimated net agricultural income for this year may only reach \$15 billion. At present, about a quarter of the 2.4 million farm owners in the United States are heavily in debt. For the sake of reducing pressure on the farm owners, the U.S. Government last year paid out \$11.9 billion to subsidize the price of agricultural products. This is the highest level of subsidy in the last 50 years. Even more serious is the fact that the present agricultural surplus crisis in the United States is still developing. According to estimates made by the U.S. Department of Agriculture early this year, by the end of the 1982-1983 grain-selling year, U.S. grain reserves will reach 150 million tons, or more than half the world's grain reserve.

The United States is traditionally a grain-exporting country, and the grain trade plays an extremely vital role in balancing U.S. international trade revenue and expenditure. In 1982, the U.S. trade deficit had reached \$42.7 billion. If grain export to the Soviet Union is reduced, not only will the condition of U.S. trade revenue and expenditure further deteriorate, but the price of U.S. grain on the world market will also be affected. At the same time, some of the agricultural areas in the United States are exerting greater and greater pressure on the Reagan administration over the issue of exporting grain to the Soviet Union. This is why President Reagan has been anxious to talk with the Soviet Union to the signing of a new long-term grain agreement.

At present, proceeding from the global strategy of contending for hegemony with the Soviet Union, the U.S. authorities have on the one hand again put stress on strictly prohibiting the export of advanced technology and equipment to the Soviet Union, expecting the West European allies to follow suit. On the other hand, for the sake of solving their own agricultural crisis, they have again expressed the hope that the Soviet Union would patronize the U.S. grain market. This has caused the United States to land in the predicament of contradicting itself. This U.S. action will greatly aggravate its contradictions with the West European allies. Madame Edith Cresson, the former French minister of agriculture, used to say resentfully that the U.S. attitude toward Western Europe on this matter is "Do as I say, not as I do. This may be Reagan's motto." Apparently, it will be very difficult for the United States to extricate itself from this kind of self-contradiction and this difficult predicament. No wonder people will ask: Today, in whose hand is the "grain weapon"?

U.S. RESPONDS TO USSR MISSILE DEPLOYMENT THREAT

OW290340 Beijing XINHUA in English 0232 GMT 29 May 83

[Text] Washington, May 28 (XINHUA) -- The U.S. State Department, responding to a Soviet threat to deploy nuclear missiles on the soil of its Warsaw Pact allies, accused Moscow today of demanding "effective military superiority and thus global hegemony."

The Soviet Government warned in a statement today: "If agreement on the limitation of nuclear arms in Europe, ruling out the deployment there of new American missiles, is frustrated...the Soviet Union will take timely and effective measures in this field as well."

The U.S. State Department, in a written statement expressed regret that "the Soviet Government has again resorted to unwarranted threats of retaliation in the event that we and our NATO allies modernize our forces in the fact of the Soviet massive nuclear buildup" in Europe. It accused the Soviet Union of repeating "familiar positions designed to maintain the Soviet monopoly of long-range INF missiles." "As for suggesting the Soviet Union might lift its alleged 'moratorium' on SS-20 deployments," the statement said, "we would note that SS-20 deployments continued uninterrupted last year." On the Soviet rejection of "global limits" in the deployment of SS-20 and other medium-range missiles, the statement said, "many SS-20's stationed in Asia can reach parts of Europe, and all could be rapidly redeployed against Europe. Moreover, we cannot accept an agreement which would transfer the SS-20 threat to our friends and allies in Asia." Rejecting the Soviet demand for as many INF warheads and missiles in Europe as those of Britain and France, the statement said, the Soviet demand for nuclear forces as large as all countries combined "is tantamount to a demand for effective military superiority and thus global hegemony." Western diplomats and journalists said here today that the purpose of the Soviet statement seemed largely a renewal of warning on the occasion of the economic summit meeting of the major Western industrialized nations in Williamsburg.

U.S. SENATE COMMITTEE ADOPTS SANCTIONS BILL

OW300358 Beijing XINHUA Domestic Service in Chinese 1606 GMT 28 May 83

[Text] Beijing, 28 May (XINHUA) -- According to reports from Washington, the U.S. Senate Banking Committee on 25 May adopted a bill authorizing the U.S. President to impose sanctions against countries that, regardless of his opposition, trade with the Soviet Union and other countries.

Last year Reagan applied sanctions against companies in Western Europe that had made a natural gas pipe deal with the Soviet Union, touching off protests by the countries concerned. These sanctions were later lifted. The newly adopted bill once again stresses the President's power to impose similar sanctions.

According to reports, the governments of the 10 member countries of the European Economic Community have lodged protests with the U.S. State Department. The Japanese and Canadian ambassadors to the United States have also indicated that they were disturbed by the United States' intentions. They thought that the powers Reagan hopes to have are greater than American extraterritoriality in the past.

This bill has now been submitted to the Senate for examination and approval. The House Foreign Affairs Committee is also considering a similar bill.

SHULTZ CITED ON U.S.-DEVELOPING NATIONS' TIES

OW270318 Beijing XINHUA in English 0241 GMT 27 May 83

[Text] New York, May 26 (XINHUA) -- U.S. policies toward the developing world are to strengthen "free institutions" and ensure the process of "democratic evolution" in the developing countries, U.S. Secretary of State George Shultz said here today.

Speaking at a luncheon given by the American Foreign Policy Association at the Hilton hotel, Shultz said that the developing countries accounted for most of the growth in American exports from 1975 to 1980 and one out of every five acres of American farms produced for export to developing countries.

During the recent recession, he went on, the same linkage worked in reverse. "About half the decline in our GNP last year came from deterioration in our international accounts, particularly in exports to developing countries."

On expanding trade, he placed emphasis on "trade liberalization", saying that the task is to find a way to integrate the developing countries into the liberal trading order of lower tariffs and dismantled quotas.

Turning to the question of investment, he called on the developing countries "to offer a favorable environment for private investment, including that from abroad."

SHULTZ SAYS U.S. TO WORK FOR INDEPENDENT NAMIBIA

OW270943 Beijing XINHUA in English 0815 GMT 27 May 83

[Text] New York, May 26 (XINHUA) -- U.S. Secretary of State George Shultz said in New York today that the United States would work for an independent Namibia, but was concerned about the presence of foreign forces in Angola.

He made the remarks in separate talks with Zairean Foreign Minister Kamanda Wa Kamanda, SWAPO President Sam Nujoma and the foreign ministers and permanent representatives at the United Nations of seven African states -- Angola, Botswana, Mozambique, Tanzania, Zambia, Zimbabwe and Nigeria. The talks were held at U.N. Plaza Hotel this afternoon.

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PRC INTERNATIONAL AFFAIRS
UNITED STATES

Briefing the press after the talks, State Department spokesman John Hughes said Shultz indicated at the talks that the United States "is determined to work for independent Namibia in terms of U.N. Resolution 435."

According to the spokesman, Shultz pointed out, "there is a connection between sovereignty and security in the region. The facts were and are that there are foreign forces in Angola, there are non-Namibian forces in Namibia, there is violence in the area, about which the U.S. is concerned."

The spokesman said that Shultz and Nujoma agreed on the principles of "democracy, liberty and economic development" for independent Namibia.

On the question of "linkage" of Namibian independence with withdrawal of Cuban troops from Angola, Hughes said that he talked about security of the region, not linkage. But he conceded that the United States was concerned about "the presence of the Soviet and Cuban military power in Angola."

When asked about the U.S. future plan for the Namibian problem, Hughes said Shultz would not go to the area now since the time was not ripe.

USSR TO COUNTER NEW U.S. MISSILES IN EUROPE

OW281648 Beijing XINHUA in English 1625 GMT 28 May 83

[Text] Moscow, May 28 (XINHUA) -- Moscow said today it will take measures to counter the medium-range U.S. Euromissiles.

The Soviet Government said in a statement today: "The decision of the United States and NATO to start the deployment of new American missiles in Europe, if it will be carried out, will force the USSR to reconsider the decision it adopted last year concerning the unilateral moratorium on the further deployment of medium-range systems in the European zone." "The need would also arise to implement, on arrangement with other Warsaw Treaty member countries, other measures as well to deploy additional means with the aim of creating the necessary counterbalance," the statement said. It will "also be necessary to take other necessary measures with a view to the territory of the United States itself," the statement added.

In view of the development, production and phasing in of new American strategic arms the Soviet Union will strengthen its defenses including deploying corresponding new strategic systems, the statement said. The statement reiterated the Soviet proposal to freeze these arms quantitatively and to limit to the maximum their qualitative modernization. Analysts here noticed the Soviet statement was issued at a time when Soviet-U.S. talks on Euromissiles have been making no progress, when Washington has decided to deploy MX missiles and when the summit of seven Western countries opened today in Williamsburg, Virginia.

TASS CARRIES COMMENTARY ON WILLIAMSBURG SUMMIT

OW301630 Beijing XINHUA in English 1556 GMT 30 May 83

[Text] Moscow, May 30 (XINHUA) -- The Soviet news agency TASS said in a commentary today the Williamsburg summit's joint statement in support of the NATO deployment of medium-range nuclear missiles in West Europe is one dictated by the United States.

"The American side hastily worked out and imposed on the meeting's participants the so-called joint statement reaffirming the decision by Washington and NATO to station a new generation of American nuclear missiles in Western Europe," TASS said.

The annual summit conference of seven heads of state from Western countries -- the U.S., Japan, the Federal Republic of Germany, Britain, France, Italy and Canada -- opened in Williamsburg yesterday. In a statement issued following the second day of the summit, the leaders of the seven Western nations said, "The countries concerned will proceed with the planned deployment of the U.S. systems in Europe at the end of 1983" if the Soviet Union fails to reach a balanced intermediate-range nuclear forces reduction agreement with the United States. The document followed a statement by the Soviet Union on Saturday that it might install some of its powerful medium-range nuclear weapons in Warsaw Pact nations if NATO deploys new U.S. missiles in Western Europe later this year.

TASS added the strong opposition voiced in the joint statement to taking into account the nuclear strength of Britain and France at the Geneva talks represents an attempt to gain "unilateral military superiority." The TASS commentary said the Western heads of state are unable to solve their acute economic problems, and they even cannot reach an agreement on means and ways to solve these problems.

The Williamsburg summit is scheduled to discuss questions connected with the economic situation in the West, currency and financial problems and causes of contradictions in trade, economic and political spheres.

I. 31 May 83

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

D 1

AFP: MONGOLIA EXPELLING 'UNDESIRABLE CHINESE'

OW310224 Hong Kong AFP in English 0142 GMT 31 May 83

[By Elisabeth Chang]

[Text] Beijing May 31 (AFP) -- Outer Mongolia, a Soviet satellite, has moved to get rid of several hundreds of undesirable Chinese whom it accuses of smuggling, black market trading and gambling, according to Mongolian sources here.

Several hundred Chinese have been ordered to go and work on farms in northern Outer Mongolia or leave the country, the sources said yesterday.

More than 100 of them have arrived in China in the last few days, according to various sources. The Mongolian Embassy here would neither confirm or deny the reports.

Diplomats here expect virtually all the Chinese sent to re-education farms in northern Mongolia to arrive in China during the coming weeks.

Outer Mongolia has several thousand Chinese residents (8,000-10,000 by some estimates), most of whom hold Chinese passports. They live exclusively in the capital Ulaanbaator where they work in the business and service sectors.

There have been periodic expulsions such as in June last year when Radio Moscow announced that a large number of Chinese had been asked to leave Ulaanbaator on the grounds of speculation and idleness.

The Chinese nationals expelled are generally those who have the closest relations with their embassy in Ulaanbaatar, observers said.

Mongolian sources said that the Chinese who have already left Mongolia or who are getting ready to do so are mostly the idle young, who broke the law by engaging in smuggling, the black market, and trafficking of all sorts.

Asked about the matter, the Chinese Foreign Ministry has so far merely noted the question without replying.

Relations between China and Mongolia have been very tense since the (?China)-Soviet rift of the 1960's. Ulaanbaatar periodically accuses Beijing of preparing an "expansionist aggression" against Outer Mongolia where thousands of Soviet troops are stationed.

HU YAOBANG MEETS KCNA DELEGATION 30 MAY

OW30J1411 Beijing XINHUA in English 1357 GMT 30 May 83

[Text] Beijing, May 30 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, met mere this afternoon with a delegation from the KOREAN CENTRAL NEWS AGENCY, led by General Director Chu Hyon-ok.

Speaking of the Sino-Korean friendship, Hu Yaobang declared, "We will cherish the friendship between China and Korea like our own eyes," he said.

Of their impressions of China, drawn from the visit, Chu Hyon-ok said that the delegation could feel the deep, friendly feelings of the Chinese people towards the Korean people wherever they went.

At the 41 units they visited, he said, they could see that the Chinese people are working with concerted efforts in socialist construction. In the last three or four years, great changes have taken place in China's factories and rural areas, he said. He pledged to tell the Korean people of the changes in China when they are back.

Hu Yaobang said that since the third plenary session of the eleventh party central committee, significant improvements have taken place in China's political and economic fields. "But we should guard against overestimating the situation and ignoring our remaining problems. We should stick to what the late Chairman Mao Zedong once said: Let others see what is good, but also what is not good," he said.

Present at the meeting were Mu Qing, director general of the XINHUA NEWS AGENCY, DENG Gang, adviser to the XINHUA NEWS AGENCY, and Chon Myong-su, Korean ambassador to China.

DPRK AMBASSADOR FETES VISITING KCNA DELEGATION

OW301734 Beijing XINHUA in English 1535 GMT 30 May 83

[Text] Beijing, May 30 (XINHUA) -- Chon Myong-su, ambassador of the Democratic People's Republic of Korea to China, gave a banquet at the embassy here this evening to mark the visit of a delegation from the KOREAN CENTRAL NEWS AGENCY.

Present at the banquet were Mu Qing, director general of the XINHUA NEWS AGENCY, and Deng Gang, adviser to the agency.

On behalf of Chu Hyon-ok, head of the delegation and general director of the KOREAN CENTRAL NEWS AGENCY, Chon Myong-su expressed thanks for the warm reception accorded to the delegation during its visit to Xian, Chengdu, Shanghai, Hangzhou, Guangzhou and Shenzhen.

Mu Qing said that the visit of the delegation is quite a successful one which has not only strengthened friendship and unity between the two news agencies, but also contributed to the unity and friendship between the two peoples. The delegation will leave here tomorrow for home.

JI PENGFEI MEETS DPRK TU DELEGATION 30 MAY

OW301443 Beijing XINHUA in English 1347 GMT 30 May 83

[Text] Beijing, May 30 (XINHUA) -- Chinese State Councillor Ji Pengfei met and had a cordial conversation with a delegation of trade unions of industrial workers from the Democratic People's Republic of Korea at the Great Hall of the People this afternoon. The delegation is led by Kim Kuk-sam, vice-chairman of the Central Committee of the General Federation of Trade Unions. Present on the occasion were Wang Xun, alternate member of the Secretariat of the All-China Federation of Trade Unions, and Han Chi-hun, minister-counsellor of the D.P.R.K. Embassy in Beijin. The Korean guests arrived in Beijing on May 17 and have since toured Wuhan, Yichang, Shanghai, Hangzhou and Guilin. They are leaving for home tomorrow.

DPRK VICE PREMIER FETES PRC GOODWILL GROUP

OW272152 Beijing XINHUA Domestic Service in Chinese 1502 GMT 26 May 83

[Text] Pyongyang, 26 May (XINHUA) -- Korean Vice Premier Chong Chun-ki today met with and gave a luncheon for a Chinese goodwill visiting group headed by Chen Yi, vice chairman of the Shanghai Municipal People's Congress Standing Committee. Chen Xinliang, director of the Shaanxi Province Travel and Tourism Bureau, is the deputy head of the group. The Korean vice premier had a cordial and friendly conversation with the Chinese visitors. Also present at the meeting and the luncheon were Han Pyong-kun, director of the Korean International Tourist Agency; and Zong Kewen, Chinese ambassador to Korea. It is the first Chinese goodwill visiting group to visit Korea this year. Since it arrived in Korea by train on 13 May, it has visited Pyongyang and other Korean locations.

PLA SONG-DANCE TROUPE HONORED IN PYONGYANG

OW310545 Beijing XINHUA Domestic Service in Chinese 1546 GMT 29 May 83

[Text] Pyongyang, 29 May (XINHUA) -- More than 6,000 officers and men of the Korean People's Army [KPA] and people of Pyongyang City held a meeting today at the 8 February Cultural Hall in Pyongyang to warmly welcome the Chinese PLA Song and Dance Ensemble led by Zhang Zhongbin, deputy director of the Cultural Department of the PLA General Political Department.

Attending the gathering were Gen Paek Hak-nim, member of the Political Bureau of the Workers Party of Korea (WPK) Central Committee and vice minister of People's Armed Forces; Maj Gen Yun Chi-ho, deputy director of the Korean People's Army [KPA] General Political Department; Chang Chol, deputy director of the cultural and arts department; and Kim U-chong, vice chairman of the Committee for Cultural Relations With Foreign Countries.

Present on invitation at the meeting were Charge d'Affaires ad Interim He Zhangming and Military Attaché Wang Shaowu of the Chinese Embassy to Korea and Chinese engineers, technicians, and experts in Pyongyang.

In his speech at the meeting, Maj Gen Yun Chi-ho praised the successful performance of the Chinese PLA Song and Dance Ensemble in Korea. He said: The highly ideological and artistic performances presented by the song and dance ensemble have truly reflected the Chinese people's revolutionary style of advancing courageously with confidence in victory and the militancy of the Chinese PLA and warmly reflected the friendship and unity between Korea and China. The performance of the song and dance ensemble have delighted the Korean people and officers and men tremendously.

Zhang Zhongbin, head of the ensemble, said in his speech: Members of the song and dance ensemble are deeply touched by the warm welcome and cordial reception accorded them during their visit to Korea. This kind of welcome and reception has fully demonstrated the friendly sentiments of the Korean people and Army towards the Chinese people and the PLA.

Silk banners were exchanged between the hosts and guests at this meeting permeated by the militant friendship between the Chinese and Korean people and armies.

An entertainment program was presented by the KPA troupe at the end of the meeting.

KCNA ON KIM TAE-CHUNG'S SUPPORT FOR KIM YONG-SAM

OW271608 Beijing XINHUA in English 1550 GMT 27 May 83

[Text] Pyongyang, May 27 (XINHUA) -- Noted South Korean Democrat Kim Tae-chung in the United States Tuesday expressed his support for former president of the South Korean opposition "Shinmin" (New Democratic) Party Kim Yong-sam in his hunger strike.

The KOREAN CENTRAL NEWS AGENCY quoted foreign news reports as saying that Kim Tae-chung demanded that South Korean authorities adopt prompt measures to meet the demands for democratic reforms called for by the hunger striker who is also a candidate for the presidential elections in South Korea.

Kim Tae-chung also demanded that the South Korean press be allowed to give free coverage of Kim Yong-sam who began a hunger strike on May 17. He was forcibly hospitalized May 25 by the Seoul police and has refused any medical treatment. Kim Tae-chung, himself a democratic advocate, was sentenced to death in 1980 and later to life imprisonment by Seoul military courts for "plotting domestic riots."

He was allowed to go to the U.S. for medical treatment last December after strong international pressure was heaped on the South Korean authorities on the issue.

In his statement he also called on the U.S. Government to stop support for the South Korean regime.

Nineteen South Korean political figures said they were beginning a hunger strike yesterday in support of the former New Democratic Party leader.

According to another report, more than 1,000 students staged a demonstration yesterday on the campus of the Seoul-based Korea University, demanding the release of arrested students.

Earlier on May 25, 300 students of the private Songgyun-gwan University held a 2-hour-long campus demonstration demanding democratic reforms and threw stones at the riot police.

ZHAO EXPRESSES SYMPATHY TO JAPAN'S QUAKE VICTIMS

OW290438 Beijing XINHUA in English 0255 GMT 29 May 83

[Text] Beijing, May 29 (XINHUA) -- Chinese Premier Zhao Ziyang, in a message to Japanese Prime Minister Yasuhiro Nakasone yesterday, expressed solicitude for the Japanese people in the quake-stricken area.

The message reads: "Shocked to learn that a strong earthquake and subsequent seismic sea waves struck northeastern Japan and part of Hokkaido Prefecture, causing enormous losses to lives and property of the people; I, on behalf of the government and the people of my country, extend sincere sympathy and solicitude to your excellency and the Japanese Government and, through you, to the people in the calamity-stricken area."

WANG ZHEN MEETS JAPANESE VISITORS 30 MAY

OW301445 Beijing XINHUA in English 1345 GMT 30 May 83

[Text] Beijing, May 30 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, met here this afternoon with a good-will delegation from the Association of City Mayors of Nara Prefecture, Japan, led by Hiromu Kiyama, mayor of Nara City.

The association is an organization made up of mayors of various cities in Nara Prefecture.

Wang Zhen said that China and Japan should strengthen their cooperation and exchanges in various fields. He said he was happy over the growing friendly relations between Nara and Xian, capital of China's Shaanxi Province.

He asked the guests to convey his sympathy for the people in northeast Japan and Hokkaido that were struck by a recent earthquake.

The guests came to China at the invitation of the Municipal People's Government of Xian.

GU MU MEETS JAPAN'S AKIRA IWAI, PARTY

OW291353 Beijing XINHUA in English 1348 GMT 29 May 83

[Text] Beijing, May 29 (XINHUA) -- State Councillor Gu Mu met here this afternoon with Akira Iwai, adviser to the General Council of Trade Unions of Japan, and his party.

While serving as secretary-general of the General Council of Trade Unions of Japan, Iwai visited China on three occasions.

Gu Mu and Iwai exchanged views on the friendly contacts and economic cooperation between the two countries.

Present at the meeting was Chen Yu, adviser to the All-China Federation of Trade Unions.

The Japanese guests arrived here on May 24 at the invitation of the All-China Federation of Trade Unions. During their stay here, leading members of the federation exchanged views with them on contacts between workers of the two countries.

YAO YILIN FETES JAPANESE TRADE DELEGATION

OW271403 Beijing XINHUA in English 1320 GMT 27 May 83

[Text] Beijing, May 27 (XINHUA) -- Vice Premier Yao Yilin met with and feted here this evening Takeshi Inoue, director-general of Japan-China Association on Economy and Trade, and his party.

The two sides exchanged views on furthering economic and technical cooperation between the two countries.

Present at the meeting were Wang Bingqian, minister of finance, and Wang Yaoting, chairman of the China Council for the Promotion of International Trade.

FANG YI MEETS JAPANESE PHYSICIST 27 MAY

OW270929 Beijing XINHUA in English 0814 GMT 27 May 83

[Text] Beijing, May 27 (XINHUA) -- State Councillor Fang Yi met here this morning with Takashi Mukaibo, vice-chairman of the Japan-China Society, and his wife.

Fang Yi discussed with Mukaibo, who is a noted physicist, the scientific and technical exchange between the two countries.

JAPANESE SELF-DEFENSE FORCES HOLD EXERCISES

OW310918 Beijing XINHUA in English 0815 GMT 31 May 83

[Text] Tokyo, May 31 (XINHUA) — About 1,300 men of the Japanese ground, maritime and air self-defence forces started the five-day joint military exercises this morning in sixteen areas of the country, according to a KYODO report.

The exercises will include mock operations to block three straits and defend the Japanese homeland.

JILIN FOREIGN AFFAIRS DELEGATION TO DPRK

SK230907 Changchun Jilin Provincial Service in Mandarin 2200 GMT 22 May 83

[Text] According to our sources, at the invitation of the Yanggang Provincial People's Committee in the DPRK, a Jilin Provincial goodwill delegation headed by (Yang Peixian), deputy director of the provincial foreign affairs office, and consisting of foreign affairs personnel from the border offices, left Changchun City on 22 May for Yanggang Province in the DPRK.

RENMIN RIBAO COMMENTARY ON VIETNAM, THAILAND

HK301440 Beijing RENMIN RIBAO in Chinese 30 May 83 p 6

["Short" commentary: "Incorrigible Obstinacy"]

[Text] The Vietnamese authorities have declared time and again that they have no intention of threatening the security of Thailand and that they are willing to ease the tension between Vietnam and Thailand. To counter Vietnam's "peace" offensive, Air Chief Marshal Sitthi Savetsila, the Thai foreign minister, recently put forward a proposal requiring Vietnam to withdraw its troops 30 kilometers from the Thai-Kampuchean border as a measure to create the confidence for holding a dialogue. If Vietnam can manage to withdraw its troops in this manner, Foreign Minister Sitthi will be willing to visit Hanoi to directly discuss with Vietnamese leaders the question of how the Kampuchean problems are to be solved. This proposal has undoubtedly embarrassed the Vietnamese authorities. After a great deal of affected consideration, Nguyen Co Thach, the Vietnamese minister of foreign affairs, finally and completely rejected this proposal. Moreover, he raised the unreasonable precondition that the Democratic Kampuchean troops in the Thai-Kampuchean border areas withdraw in the same manner. This entirely reveals the fact that the Vietnamese authorities are clinging to their obstinate enmity toward Thailand.

In fact, that Vietnam has sent more than 100,000 troops to wantonly occupy Kampuchea for a long time itself constitutes a serious threat to the security of Thailand. Furthermore, the aggressive Vietnamese troops in Kampuchea have continuously carried out mopping-up operations in the Thai-Kampuchean border areas and have even carried the warfare into Thai territory. Under these circumstances, obviously, it is utterly impossible to make Thai people believe that Vietnam has any sincerity for "peace." For a time in the past, because of the difficulty in supply and because it is difficult for them to move their tanks and guns in the mud of the rainy season, the Vietnamese troops retreated 10 kilometers from the Thai-Kampuchean border. As was pointed out by the spokesman of the Thai supreme headquarters, this withdrawal was nothing but "a part of the yearly rotational operations of the Vietnamese troops." In fact, Vietnam later sent new troops and supporting equipment into Thai-Kampuchean border areas. Vietnam's threat to Thailand's security has never been reduced to the slightest degree.

Thailand's proposal that the Vietnamese aggressor troops in Kampuchea withdraw 30 kilometers from the border between Kampuchea and Thailand constitutes a minimum test of the sincerity of the Vietnamese authorities. Since the Vietnamese authorities are not even willing to take this minimum measure, it shows that they have no intention at all of improving their relations with Thailand and other ASEAN countries, or of seeking a political solution to the Kampuchean problem. From this, people can clearly see that the Vietnamese authorities' recent much touted trick of "partial withdrawal" is completely a hoax.

ROMANIA'S ANDREI MEETS QIAN QICHEN 26 MAY

OW270306 Beijing XINHUA in English 0238 GMT 27 May 83

[Text] Bucharest, May 26 (XINHUA) -- Romanian Foreign Minister Stefan Adnrei today exchanged views with visiting Chinese Deputy Foreign Minister Qian Qichen on relations between the two countries and world issues of mutual concern. He also gave a dinner for Qian Qichen this evening. Qian arrived here from Berlin yesterday from a visit on the invitation of the Romanian Foreign Ministry. He had accompanied Chinese Communist Party General Secretary Hu Yaobang on the latter's official visits to Romania and Yugoslavia earlier this month, and then continued his own tour of Hungary, Poland and the German Democratic Republic.

HUANG HUOQING MEETS ROMANIAN JUDICIAL DELEGATION

OW261329 Beijing Domestic Service in Mandarin 1200 GMT 25 May 83

[Text] Huang Huoqing, chief procurator of the Supreme People's Procuratorate, this afternoon met with the Romanian Ministry of Justice delegation led by Chivulescu, Romanian minister of justice, and had a cordial and friendly conversation with them.

JI PENGFEI MEETS GDR FRIENDSHIP DELEGATION

OW261337 Beijing XINHUA in English 1240 GMT 26 May 83

[Text] Beijing, May 26 (XINHUA) -- State Councillor Ji Pengfei met here this afternoon with Paul Wandel, vice-chairman of the League of Friendship Among the Peoples of the German Democratic Republic, and his party. Wandel, 78, is an old friend of the Chinese people. During the meeting, Ji Pengfei had a cordial and friendly conversation with the visitors, and expressed his appreciation for their efforts to promote the friendly relations between the two countries. Lin Lin, vice-president of the Chinese People's Association for Friendship With Foreign Countries, and Rolf Berthold, ambassador of the German Democratic Republic to China, were present. The German guests returned here on May 23 after a tour of Xian, Shanghai and Nanjing.

PRC DELEGATION ATTENDS SFRY YOUTH DAY

OW260901 Beijing XINHUA in English 0754 GMT 26 May 83

[Text] Belgrade, May 25 (XINHUA) -- Celebration activities were held here today to mark the Youth Day during which the youth relay baton was presented to the President of the League of Yugoslav Socialist Youth Dragamilic. The carrier of the baton, a sailor from Bar, said the baton is a symbol of pride to the young people of Yugoslavia for having had Josip Broz Tito and "a symbol of its firm determination to remain steadfast on Tito's road to building socialism fraternity and unity, equality and freedom." The youth relay baton symbolizes the unity of the Yugoslav youth. Since 1943 it has been carried by youth organization members every year across the country. Formerly it used to be presented to Tito on his birthday, which fell on Youth Day. While receiving the baton, Yugoslav Youth President Dragan Milic stressed the celebration activities show the firm commitment, strength and determination of all Yugoslavs to continue on Tito's road. He urged the young people to play a more responsible role in all sectors of social, economic, cultural and public life. President Mika Spiljak of the Yugoslav Presidency offered his best wishes to the young people on the occasion. He said the youth relay baton represents a symbol of loyalty to Tito's work and an expression of the commitment of the youth and all the people of socialist Yugoslavia to the ideals and aims of the revolution. Over 7,000 people performed a group calisthenics entitled "Tito's Era." State, party and government leaders attended today's celebration activities in Belgrade. A visiting Chinese youth delegation was also present.

PRC UN AIDE URGES SPEEDY NAMIBIAN INDEPENDENCE

OW271906 Beijing XINHUA in English 1849 GMT 27 May 83

[Text] United Nations, May 27 (XINHUA) -- China today called for the prompt implementation of Security Council Resolution 435 to speed up the Namibian independence and opposed any linkage between the Namibian independence and the Cuban troop withdrawal from Angola.

Speaking at a Security Council meeting, Chinese Deputy Permanent Representative Liang Yufan charged the racist regime of South Africa for its lack of good faith to solve the question of Namibia. He said: "In the past few years that regime has resorted to all tricks, endlessly raising extraneous issues in the course of the negotiations and putting up one obstacle after another in the way of the implementation of Resolution 435. In the meantime, it has stepped up the brutal suppression of the Namibian people's struggle for independence in an attempt to break down the armed forces led by SWAPO. On the other hand, it has intensified its effort to foster puppet forces on behalf of an 'internal settlement,' it has, moreover, repeatedly launched large-scale military invasions, or carried out sabotage or subversive activities, against neighbouring African states. Even now it is occupying a part of southern Angola." He also condemned the South African racist regime for launching a savage air raid on Maputo, the capital of Mozambique, a few days ago. He said: "The South African authorities would not have been so truculent and intransigent, had it not been for the connivance and support on the part of a superpower. That power, in order to maintain its vested interests in the region, embraces the South African authorities as an 'ally' and pursues a so-called 'constructive engagement' policy towards it, and prevents the Security Council from imposing any sanction on South Africa. Moreover, it has colluded with South Africa by linking Namibian independence with the withdrawal of Cuban troops from Angola. This unreasonable linkage has seriously hampered the implementation of the U.S. plan." "We oppose the linkage between Namibian independence and the withdrawal of Cuban troops from Angola. Independence for Namibia is an inalienable right of the Namibian people; it is a problem of decolonization. It has nothing to do with the question of the withdrawal of Cuban troops from Angola. The two different issues should not be linked together," he noted. He stressed that "the Chinese Government and people will, as always, firmly support the just struggle of the Namibian people led by SWAPO and that of the African front-line states and we will provide them with assistance within the limit of our capability."

MAURITIAN PRIME MINISTER LEAVES FOR HOME

OW290859 Beijing XINHUA in English 9756 GMT 29 May 83

[Text] Guangzhou, May 29 (XINHUA) -- Mauritian Prime Minister Aneerood Jugnauth, Mrs Jugnauth and his party left here this morning by plane for home via Hong Kong after winding up their ten-day visit to China. Seeing them off at the airport were Liang Lingguang, the Guangdong provincial governor, Yang Li, vice-governor, and Ye Xuanping, acting mayor of Guangzhou, as well as Qin Zhongda, minister of chemical industry, Wen Yezhan, vice-foreign minister, and Chen Feng, Chinese ambassador to Mauritius. Prime Minister Jugnauth and his 11-member party arrived in Beijing May 19 at the invitation of the Chinese Government. During their stay in China, they met with Chinese leaders Deng Xiaoping and Zhao Ziyang and visited factories, communes and other establishments in Beijing, Shanghai, Hangzhou and Guangzhou. They were accorded a warm welcome wherever they went.

CPPCC NATIONAL STANDING COMMITTEE MEETS 30 MAY

OW301355 Beijing XINHUA Domestic Service in Chinese 0910 GMT 30 May 83

[Text] Beijing, 30 May (XINHUA) -- The Standing Committee of the 5th CPPCC National Committee held its 24th meeting at the auditorium of the CPPCC National Committee this morning.

The meeting approved the agenda (draft) for the First Session of the Sixth CPPCC National Committee. The main items of the agenda are: To attend the First Session of the Sixth NPC of the PRC as observers and to elect chairman, vice chairmen, secretary general and members of the Standing Committee of the Sixth CPPCC National Committee.

The meeting also endorsed the readjusted namelist of the 6th CPPCC National Committee, which was made at the chairman's meeting through consultation after the 23d Standing Committee meeting. The total number of the 6th CPPCC National Committee members stands at 2,039 after readjustment. The newly added members are Liu Haisu, Shi Ruzhang [2457 1172 3864] (female), Li Fenglan (female), Wang Yubin [3769 5148 2430], Tan Hanzhou [6223 3352 3166] and Zhu Duanshou.

The meeting approved through consultation the namelist (draft) of the presidium and secretary general of the First Session of the Sixth CPPCC National Committee. The namelist (draft) will be submitted to the preparatory meeting of the First Session of the Sixth CPPCC National Committee for approval.

The meeting also approved the work report of the motions committee of the Fifth Session of the Fifth CPPCC National Committee since the Fifth Session.

A delegation of the CPPCC National Committee led by Cheng Zihua visited Jordan 14-18 May. A written report on the delegation's visit was submitted to the meeting today.

Liu Lantao, vice chairman of the CPPCC National Committee, presided over today's meeting. Lu Dingyi, Kang Keqing, Wang Shoudao, Hu Ziang, Hu Yuzhi, Wang Kunlun, He Changgong, Cheng Zihua, Yang Xiufeng, Qian Changzhao and Dong Qiwu, vice chairmen, attended the meeting.

Report on Handling Motions

OW310102 Beijing XINHUA Domestic Service in Chinese 0918 GMT 30 May 83

[Text] Beijing, 30 May (XINHUA) -- The 24th meeting of the Standing Committee of the 5th CPPCC National Committee today adopted a report on how motions were handled since the 5th Session of the 5th CPPCC National Committee. The report pointed out: During the 5th Session of the 5th CPPCC National Committee, a total of 107 motions were received from members. After the meeting closed, 114 motions were received. As of 24 May of this year, 590 motions have been handled and answered by the various departments concerned accounting for 72 percent of the total number of motions received.

The report said: The motions from the CPPCC members cover a wide range of subjects. They involve politics, the economy, culture, education and science and technology of the state. Many of them have offered constructive suggestions on how to develop national economic construction and promote socialist spiritual civilization throughout the country. In light of the new situation in China's countryside in recent years, Liu Ruilong and 20 other members have offered suggestions on strengthening education in agriculture and among peasants. Cheng Yuqi and 20 other members suggested the debate and adoption, as early as possible, of the "Law of the People's Republic of China on Mineral Resources."

In light of the administrative and system restructuring now under way in China, member Song Ting put forth a suggestion on developing service work in society in a planned and organized manner, and on turning the service work of various government organs, schools, enterprises and units into efforts to serve the society. Zhang Cuangdou and 29 other members put forth a suggestion on how the state should formulate a policy to encourage technical workers to develop border regions and work at the forefront in production and in outlying districts.

The motions from the members were conscientiously studied and handled by the departments concerned. The Organization Department of the CPC Central Committee, the State Commission for Restructuring Administration, the General Administration of Customs and other units promptly handled the motions put forth by the members. Now, they have completely handled and answered the motions. Some of the motions involve many departments; therefore, they cannot be put into practice right away. However, the departments concerned have promised to conscientiously study and adopt them. After studying the motion put forth by Xu Zhongming and seven other members entitled "Adopt New Technology in Radio and Television, Add 2 or 3 Educational Programs in Existing Radio and Television Channels and Develop Spare-Time Education Programs on Television," the Ministry of Radio and Television has regarded their motion as an extremely important one. It has already answered each item in the motion in detail and is prepared to include the members' suggestion in its plan when working out radio and TV programs.

YANG DEZHI ON READJUSTING PLA LEADING BODIES

OW090448 Beijing XINHUA Domestic Service in Chinese 0014 GMT 29 May 83

[By reporter Zhao Su]

[Text] Beijing, 29 May (XINHUA) -- While recently inspecting ground, naval and air forces in a certain place in northern China, Yang Dezhi, chief of PLA General Staff, called on all old comrades of the Army to help the new cadres "mount their horses and ride with them part of the way" and to continue to contribute to the successful building of new leading bodies.

Yang Dezhi pointed out that readjusting leading bodies is required for building a modern revolutionary Army. In the course of readjusting leading bodies, old cadre of all PLA units should have the cardinal principles in mind, take the overall situation into account, proceed from the long-term interests of the party and the state, and sincerely help and support new cadres in order to make valuable contributions to quickly achieve the objective of making our cadre ranks more revolutionary, younger in average age, better educated and professionally more competent.

Yang Dezhi said that there is a lot of work for old comrades to do in building new leading bodies successfully. Old comrades who will leave or remain in leading bodies should all do a good job in passing on their experiences to the new comrades, giving help to and setting an example for them. Many old comrades have indicated that they will help the new cadres "mount their horses and ride with them part of the way." This attitude is very good and should be encouraged. It is necessary to help the new cadres know their fields of work as soon as possible. More help should be given to the new cadres and more suggestions should be made to them so that they will be able to bring their initiative and creativity into full play in their work. Old comrades should not only respect and support the new cadres but they should also educate basic-level comrades to do so. When new cadres make some mistakes in their work, old comrades should enthusiastically help them sum up their experiences and lessons.

Yang Dezhi also called on the new cadres to modestly ask for advice from old comrades, to persistently set high demands on themselves, to take the lead in rectifying party style, to delve into reality, to go to work in companies and to make more studies and investigations.

Yang Dezhi said that as long as old comrades give systematic guidance to the new cadres and the latter modestly learn from the former, the new leading bodies will certainly become the strong leading cores of the PLA units and the new cadres will do their work better after tempering themselves for some time.

RENMIN RIBAO URGES FEWER, SHORTER MEETINGS

HK271444 Beijing RENMIN RIBAO in Chinese 25 May 83 p 1

[Commentator's article: "Reduce the Number of Meetings and Improve Their Style"]

[Text] A new appearance has been created in the working style of the organs in the wake of continued deepening of the structural reform. One aspect of this new appearance is a reduction in the number of meetings, an improvement in their style, and an increasing number of leading cadres going deep into the realities of life, doing investigation and research, going down to the grassroots to guide work, and solving problems on the spot. This situation is gratifying.

However, the problem of having too many meetings and an unhealthy conference style is still outstanding in many local authorities and departments. They tend to hold meetings level upon level to convey messages, even though the higher authorities already have the document in hand. They even hold special meetings to discuss routing matters or draw up plans on specific work which can be done over the telephone or by written notice. According to a county CPC committee secretary in Guizhou, "conferences" being held in the province have "doubled in number." The secretary said that leading comrades of the county spent most of their time attending meetings and had become "conference secretaries" and "conference county magistrates." Many meetings are grandiose, ostentatious and extravagant.

Having too many meetings and an unhealthy conference style shows that there are problems in the leading methods and ways of thinking of some comrades. As regards leading methods, the problem is mainly that some comrades have the deep-rooted habit of simply guiding work through meetings. These customs have been shaped over a long period of time. Unable to do away with these outmoded practices, they hold conferences to discuss, study, and resolve all matters, big or small. In the face of the new historical task, these comrades lack consideration and investigation; they are unable to break with the old habits and take a new path; and so are unable to create a new situation in their work by new leading methods, new working style and new state of mind.

As for the way of thinking, there are many aspects. One of them is to try to avoid work. The participating comrade is not responsible for organizing the meeting, writing the relevant document or writing up the minutes. He may even get someone else to write his speech for him. The only thing he has to do is to deliver the speech at the conference, and the job is done. He will not, or will seldom, consider whether the conference has solved the problem. It is just as some cadres and masses describe it: "it's like doing business; any kind of goods that can be sold are all right." Another aspect is that some leading comrades feel that the only way to make the decision "perfectly justifiable" and bearing "the utmost significance" is through a meeting. Therefore, many matters which are within the authority of the leadership and can be settled by them must be resolved by a meeting, and so on.

Since many matters have to go through level upon level of conferences to study, discuss, and resolve, many pieces of "news" in our lives become "old news." The work is then delayed since many new things, new models and new experiences fail to be summed up and publicized in time. Therefore, an urgent task at present of changing the leading method and working style is to reduce the number of conferences.

To make a summary, draw up a working plan, and study a problem through a meeting is one method of leading, but not the only one. A leader should make more effort and spend more time facing reality, paying attention to the implementation of the line, principles, and policies of the party, finding out if there are any new experiences or problems, finding out what the masses think and feel, and so on. He must not hanker after the lively superficial atmosphere of meetings and the unnecessary formalism of a "resolution." In addition, one way of reducing the number of conferences is to encourage the use of modern communication and propaganda means, such as newspapers, telephones, radio, television and so on. For the work of propaganda, organization, education, mass mobilization and drawing up working plans, these modern means may work better and more promptly than conferences.

Conferences which have to be held must be fully prepared beforehand. This is a prerequisite for holding a good conference. The 12th CPC Congress concluded successfully after only 10 days. The reason that it was a success is because it was fully prepared. All the necessary important documents were submitted to the congress after repeated deliberations, discussions and alterations. There was a conference held recently in a province. The conference would usually have taken 20 days. But it solved all problems within 8 days because it had been fully prepared, the main points of topics for discussion were stressed, and democracy was fully developed. Therefore, it was praised by leading comrades of the CPC Central Committee.

In order to hold a good conference, the leading cadres concerned should pay attention to study the methods for conducting it well. It is necessary for them to revive the working method of "from the masses, to the masses," which was the consistent proposal of Comrade Mao Zedong. Before the conference starts, they must do some ground work, such as a lot of work on investigation and study, mastering the overall situation, grasping the crux of the problem, and drawing up the draft document properly. They may, in this way, make the document to be discussed in the conference more complete. And the meeting will be held more quickly and smoothly. The results of the meeting will be doubled with just half the effort.

We must hold a short conference, not a "marathon." This question relates not only to the preparation work before a conference, but also to the guiding thinking among some comrades. They think that short conferences are not important. They tend to hold conferences which may be concluded in 3 or 4 days for more than 10 days, or even half a month. But in the history of the CPC, some well-known important meetings did not last long. The duration of the Second Plenary Session of the Seventh CPC Central Committee, which was an important conference in the fight for national victory over Japanese aggression and preparing to construct the new China politically, ideologically, and theoretically, only last for 9 days. Therefore, we can see that an important conference does not lose its value because of its short duration; and a conference which fails to solve problems will not be highly valued just because of its long duration. The duration of the conference must be shortened and documents, reports, and speeches prepared for the conference must be brief and to the point. We must do away with formalities, and with hollow and superfluous words. Some people prefer long speeches or reports. It seems that their high standard cannot be shown if their speeches or reports do not last long. They hardly realize that the masses dislike these hollow, long and tedious speeches.

At the closing ceremony of the 6th Plenary Session of the 11th CPC Central Committee, the speeches delivered by the three leading comrades of the CPC Central Committee lasted a total of no more than half an hour. One of these short speeches only consisted of three sentences. These concise and comprehensive speeches still remain fresh in the people's memories.

In some local authorities and departments, the usual practice is that they must drag in party and government principal leading comrades to attend their conferences, no matter what kind of conference it is. They consider that this practice will make the conference look more important and highly valued by the leadership. But it is also a kind of unhealthy practice. At present, every local authority and department has a lot of work to do. If the principal party and government leading comrades have to attend every kind of conference, even a superhuman would find it difficult to handle the situation. The number of deputy offices in the party and government have been reduced since the structural reform. This it is impossible for the party and government principal leading comrades to attend every conference. Furthermore, the party and government leadership are not "omniscient." If they attend every conference, it would be impossible for them to avoid talking as a layman. The effect would be bad enough if they delivered hollow and superfluous speeches. But if their ideas must be conveyed and carried out even though they make mistakes, the result is that work would be adversely affected.

The structural reform is not just to reduce the number of staff in an organization. If the working style remains the same after the structural reform, the responsible comrades will remain floating on the surface, busy attending conference, and handling all kinds of routine work, but unable to go deep into the masses. In that case, we cannot say that structural reform in the region has achieved good results. Therefore, the leading comrades at all levels must value the main content of reducing the number of conferences and improving conference style.

RENMIN RIBAO URGES BETTER USE OF INTELLECTUALS

HK271214 Beijing RENMIN RIBAO in Chinese 22 May 83 p 1

[Editorial: "Be Good at Developing and Utilizing the Valuable Intellectual Resources"]

[Text] The vigorous development of the economy depends on the improvement of technology. In order to achieve scientific technical improvement in industrial and mining enterprises, we must bring the role of intellectuals, and the unity of intellectuals, workers, and cadres, into full play.

At present there are more than a million graduate intellectuals and intellectuals at university level working in industrial and mining enterprises. They constitute the valuable intellectual resources of the state. We must cherish them, take good care of them, and bring their role into full play.

Since the 3d Plenary Session of the 11th CPC Central Committee, the national industrial and communication sector has been criticising "leftist" thinking. They have done a lot of work on carrying out intellectual policy, and this should be affirmed. But the problem of discriminating against intellectuals has not been completely solved in some enterprises. Some enterprise leaders are still taking an incorrect attitude toward intellectuals, either because of the existence of a narrow-minded mentality, or because of insufficient emancipation of their minds. A leading cadre of a Tianjin enterprise openly said that factory machines would keep on running and production development would keep on going even without intellectuals. Some leaders of No 8 chemical plant in Beijing Municipality were jealous of wise and capable persons, which caused the death of Zhu Yufen, a female engineer of the plant. These examples show the seriousness of the problem. We must bring the matter to the public's close attention and adopt practical measures to overcome the problem.

The key issue of bringing the role of intellectuals into full play in industrial and mining enterprises is to trust them politically, to get close to them ideologically and emotionally, and to genuinely treat them as one of the important elements in the proletarian class ranks. Deep in their hearts some leading cadres regard intellectuals as "outsiders" and have doubts about their reliability, though they verbally recognize that intellectuals are part of the working class. They frequently demand perfection of intellectuals on issues of promotion and admission to the party. Then even regard the merits of some intellectuals as their shortcomings. For example, they regard those intellectuals who have their own opinions, do not follow blindly and are bold in making comments as arrogant, cocky and disobedient to the leadership. They mistakenly regard intellectuals' attitude of endeavoring to gain professional proficiency and assiduous study as divorcing themselves from reality, not maintaining close contact with the masses, and lacking in political consciousness. They regard the work of scientific research and tackling key problems of going after fame and taking the road of professional competence without political consciousness. All of this is precisely because some leading cadres have a prejudice against intellectuals. Some engineering technicians cannot participate in policymaking on major issues though they are part of the leading group. These technicians are in fact assuming posts without any authority. The posts are but empty shells and thus make it difficult for them hard to exercise their management function though they are at the posts.

The rational transfer of qualified personnel is also very important. The distribution of qualified personnel in the country is irrational at present. There are many in central units but few in local units. There are many in defense and military enterprises, but few in civil enterprises. There are many in heavy industry departments but few in light industry departments. There are many in enterprises owned by the whole people but few in enterprises owned by the collective. There are many in old institutes, old colleges, and old factories but few in new institutes, new colleges, and new factories. This situation means that many engineers and technicians cannot bring their specialized knowledge into full play for a long period of time. The situation is also connected with the present personnel management system. Once a person is assigned to a particular unit, he is then "owned by that department." It is very hard to transfer him even if he has no work to do there. Though the state has been conscientiously implementing the guideline of readjustment, devoting major efforts to developing consumer goods, and strengthening energy resources industries and the transportation industry in recent years, qualified technicians and management personnel required by these departments are still hard to find. A large number of qualified people are wasted for a long period of time, as qualified personnel pile up in one department but cannot be transferred to other departments where they are needed. Therefore, the practice of ownership by departments must be broken down. The long-term "reserved" engineers and technicians must be set free. Leadership of departments, regions and enterprises concerned must value the overall interests and the country's interests above everything else. They must let those ambitious and accomplished qualified personnel go as soon as possible to posts at which they are most needed in economic construction by means of transfer, temporary transfer, exchange, recruitment and periodic assistance.

In order to bring the role of intellectuals into full play in enterprises, we must also deal with the issue of "eating from the same big pot," and break the outdated tradition of emphasizing seniority and pushing the younger generation out. On the issue of determining job titles of engineers and technicians, we should act in accordance with their degree of contribution made and level of technical knowledge. But resistance in this respect is very great.

A lot of assignments and job allocations in units are only judged by whether or not the candidate is a college graduate or in which college year he finished his studies. The practice is in no way able to encourage the advanced and spur on the less advanced. Enterprises should strengthen the responsibility system for technical and administrative cadres, and perfect the assessment and reward systems as soon as possible. Any technician who comes up with new inventions or who makes great contributions on developing new techniques, new technology, and new products or on improving economic results should be rewarded. Thus their initiative will be mobilized to the greatest extent.

Those accomplished intellectuals in enterprises must integrate theoretical knowledge with practical production. Only when they go deep into the struggle of production for a long period of time and unite with the workers, will they achieve accomplishment. "Let the fish dive freely in the boundless sea, and let the bird fly freely in the immensity of the sky." After the influence of "leftist" thinking is wiped out and the policy of bringing order out of chaos is carried out, the world available for "flying" and "diving" in our country is very vast.

RENMIN RIBAO ON UNHEALTHY TREND IN RURAL SUPPLIES

HK271420 Beijing RENMIN RIBAO in Chinese 23 May 83 p 2

[Commentator's article: "Stop the Unhealthy Tendencies in the Supply of Goods and Materials for Agricultural Use"]

[Text] Recently this newspaper has continuously received letters from commune members in rural areas, reflecting various unhealthy tendencies in the supply of goods and materials for agricultural use. In some places, planned and rational distribution of the supply of chemical fertilizer has not been carried out; instead, it has been done by a handful of people who have taken advantage of their positions and power by approving sales, trying to form ties with others, and "going through the back door." Some people have even taken the opportunity to become involved in speculation in order to make profits. In certain places some units have gone so far as to become slipshod in their production of so-called "mixed fertilizer" and have sold it at high prices when they saw the peasants' urgent demand for high quality chemical fertilizer, in effect injuring the peasants; while in other places, there arose cases of violating the state price policy. The prices of goods and materials for agricultural use have been raised at will and negotiated prices fixed at random so as to raise prices in a disguised way. All this has done harm to the interests of the peasants, struck blows at the initiative of the peasants in developing production, and directly affected the present agricultural production.

It can be seen from these letters that places where such incidents took place are considerably large in number, and an unhealthy trend has been practically formed.

Even since the implementation of the spirit of the document "On Certain Question Concerning the Present Economic Policy in the Rural Areas" issued by the CPC Central Committee, the broad masses of grassroots cadres and commune members in the rural areas have been greatly inspired and overjoyed, and their actions in developing production have been raised to a higher degree. One after another, they have drawn money from their savings to buy production means, planning for reproduction on an extended scale. In many places there appears among the peasants an upsurge in the purchase of such production means as farming machinery, chemical fertilizer, and plastic sheeting. Such moving scenes which were not witnessed for years in the past are now reflecting the excellent situation in the countryside, and they are very praiseworthy. We should value and protect this enthusiasm of the masses, and do our best in doing a good job in the supply of production means for agricultural use.

However, the appearance of the aforesaid unhealthy tendencies have played a negative role. Pointing this out in his letter, a commune member said, "the good policy of the party has brought us peasants substantive benefits, but they have been taken away from us by those people who encourage unhealthy trends."

In 1978 the CPC Central Committee acutely criticized the mistake in some places of asking peasants for everything from all sides and directions, and exploiting the peasants. The mistake was seriously dealt with and the unhealthy trends stopped. Now the appearance of improper doings in the supply of production means in some places is, in essence, an action of exploiting the peasants in a different manner, and must be resolutely opposed. In recent years, along with the growth of production, the income of the peasants has risen remarkably in the countryside, and some impoverished areas of long standing have changed. It is necessary for us to see that, generally speaking, the income level of the peasants in the countryside is low. A "family with an income of 10,000 yuan," and a "family with an income of 1,000 yuan" are actually few in number among the 800 million peasants. In some places, such as some remote mountain areas and dry mountain areas, difficulties have been comparatively great. It is not practical to overestimate the prosperity of the peasants of the present day. The moment some people hear that the peasants are now comparatively well off, they cannot help asking for things from the peasants and exploiting them. This is an expression of the poisonous influence of "leftism" and is forbidden by party policy. The economic basis of our rural areas is still comparatively fragile. If the unhealthy trends of exploiting the peasants are to remain unchecked, the development of such trends will affect the fine situation in the rural areas.

At present, the rural areas have begun their busy farming season, and the peasants are in urgent demand of production means. Supply work has a direct bearing on the year's harvest. Leadership at all levels in the rural areas should attach great attention to this work, and adopt practical measures to correct the above-mentioned unhealthy trends. Actions causing serious damages to the interests of the peasants and violating the law should be dealt with according to the law, and should by no means be tolerated. It is necessary to strengthen the control and supervision of commodity prices. Cases of raising prices at will and fixing negotiated prices at random should resolutely be banned, and be punished according to law. At the same time, it is necessary to reform the methods for supplying goods and materials for agricultural use in line with the new situations in the countryside, so as to provide facilities to the commune members and satisfy the needs of agricultural production in all possible ways.

XINHUA URGES COMBATING SERIOUS ECONOMIC CRIMES

OW300415 Beijing XINHUA Domestic Service in Chinese 0025 GMT 29 May 83

[XINHUA commentator: "Continue To Firmly Grasp the Struggle of Dealing Heavy Blows at Serious Economic Crimes"]

[Text] Beijing, 29 May (XINHUA) -- Du Zhifu, former deputy secretary of the Dagang Oil Field CPC Committee, has been arrested in accordance with the law for accepting huge bribes. This is a major, noticeable economic criminal case at the present.

With more than 30 years of a revolutionary career, Du Zhifu, in addition to holding the important position as deputy secretary of the oil field's party committee, was secretary of the oil field's party Discipline Inspection Commission and head of the leading group for investigating and handling economic cases. Thus, the primary responsibility assigned to him by the party was to combat economic criminal activities.

However, as an enforcer of the law, he broke the law and lent a helping hand to speculators even after the start of the nationwide campaign to deal blows at criminal activities in the economic field and after the transmission of two decisions on dealing heavy blows to economic criminal activities: one by the NPC Standing Committee and the other by the CPC Central Committee and the State Council. Using his power, he approved the sale of 30 metric tons of gasoline to speculators on two occasions so that they could resell it at a profit and he could receive bribes from them. The matter is clear enough: If we let individuals of this type control the leadership of some of our units and use their powers to seek personal interests and to disrupt our socialist market, we will not be able to succeed in our four modernizations. The struggle against the corrosive influence is truly a matter of importance to the prosperity and survival of our party and country and to the success of our country's socialist modernization. We must not lower our guard. We must carry out a relentless struggle against all kinds of corrosive influence and we must not let the influence spread unchecked.

We are happy to see that under the leadership of the CPC Central Committee and through the efforts of the Central Discipline Inspection Commission and the local party committees and discipline inspection commissions at various levels, this struggle has achieved great successes. The exposure of persons such as Du Zhifu and the surrendering of them to the judicial departments for punishment in accordance with the law once again demonstrates the determination and ability of our party to purify its own organism.

Our party has announced that beginning from the second half of this year, an all-round consolidation of the party organizations and rectification of party style will be conducted by stages and in groups. The struggle to deal blows at criminal activities in the economic field and to combat the corrosive influence of bourgeois ideas is an important step in party rectification. At present we must not relax this struggle or bide our time; we must continue to firmly grasp this struggle well and we must seriously deal with the uncovered problems on their merits. The masses are ardently hoping for an early fundamental turn for the better in our party style. We must strengthen our work and live up to the expectations of our people.

DISCIPLINE COMMISSION HITS DIVIDING STATE ASSETS

OW261407 Beijing XINHUA Domestic Service in Chinese 0850 GMT 28 May 83

[Text] Beijing, 28 May (XINHUA) -- The Central Discipline Inspection Commission says in a circular it issued recently that whether we dare to firmly handle and resolutely struggle against such serious malpractices as dividing state assets during administrative reform, especially whether we dare to decisively and seriously handle irregularities in which leading cadres are involved, not only concerns whether smooth progress of administrative reform can be ensured but also is an important indicator of whether our party organizations have the capability of rectifying their work style.

While transmitting the Hunan Provincial CPC Committee's "Report on the Investigation and Handling of the Case of Xiangtan Prefecture's Leading Organizations Taking the Opportunity of Administrative Merger To Divide State Assets Among Themselves," the Central Discipline Inspection Commission says in its circular that administrative reform is an important policy decision made by the party Central Committee to accommodate the general tasks during the new period and an important event that has an important bearing on the four modernizations, and that it is important for all party committees and discipline inspection commissions to ensure a smooth administrative reform.

The circular says: After receiving the Central Discipline Inspection Commission's "Circular on Resolutely Halting the Practice of Taking the Opportunity of Administrative Reform To Increase Irregularities," the party committees of many areas and departments began to pay attention to the unhealthy tendency that appeared during administrative reform. The effective measures they have adopted to seriously handle certain irregularities involving dividing state assets during administrative reform have demonstrated the party organizations' fighting strength. However, there are also areas and departments that have neither criticized nor struggled against the serious violations of party discipline arising from taking the opportunity of administrative reform to divide public funds and assets among themselves. Some areas and departments have pretended that they were not aware of the situation and refused to take any action. Some others have tolerated and accommodated the situation and refused to treat the situation seriously. In order to save face, they have forsaken the truth. Instead of regarding safeguarding the interests of the party and the people as most important, such party organizations have substituted personal feelings for principles. This impotent and weak leadership of taking a laissez-faire and irresponsible attitude towards the acts that have infringed upon the people's interests must be corrected.

The circular urges the party organizations of all areas, departments and units to follow the Hunan Provincial CPC Committee's example, work earnestly, responsibly and resolutely, and take decisive measures to deal with the problem. It says: Anybody who takes the opportunity of administrative reform to seek private gains and anyone who violates party discipline must be seriously handled in accordance with the party Constitution. Those who have violated the criminal law must be punished according to law. Typical cases must be publicized and used to educate the whole party so that administrative and other reforms can proceed smoothly and so that the party's work style can be further improved.

Hunan Irregularities Viewed

OW290136 Beijing XINHUA Domestic Service in Chinese 0900 GMT 28 May 83

[Text] Beijing, 28 May (XINHUA) -- The Hunan Provincial CPC Committee recently submitted a report to the Discipline Inspection Commission of the CPC Central Committee on the investigation and handling of the Xiangtan Prefecture's leading organizations taking advantage of administrative merger to divide state assets among themselves. In a circular entitled "It is Necessary to Strictly Handle Cases Involving Organizations That Violate Discipline and Take Advantage of Administrative Merger to Distribute State Assets," the Discipline Inspection Commission at the central level had relayed this report.

The report submitted to the Discipline Inspection Commission of the CPC Central Committee by the Hunan Provincial CPC Committee pointed out that on 4 January 1983, a meeting of model workers was held in Xiangtan Prefecture. At an enlarged session of the Standing Committee of the prefectural CPC Committee, which was held prior to the meeting by Wang Lianfu, secretary of the prefectural CPC Committee, it was decided that coupons for famous brand name bicycles, originally manufactured for export purposes, would be issued to those attending the meeting of model workers so that they could buy the bicycles by presenting the coupons. This batch of bicycles was procured with \$110,000 of foreign exchange -- money originally allocated to support foreign trade base areas. During and after the meeting of model workers, a total of 1,750 bicycle coupons were actually issued. Sixty-five coupons were issued to those in the foreign trade base areas.

Most of the remaining coupons were issued to cadres in organs under the direct administration of the prefecture and various countries, including 356 coupons issued to some leading cadres and "persons with under-the-table connections" with the approval of the responsible persons of the departments concerned. Hu Muyao, deputy director of the prefectural finance office, had personally approved the issuance of 228 coupons.

This kind of serious irregularity by the leading cadres in Xiangtan Prefecture in indiscriminately issuing bicycle coupons has directly encouraged the unhealthy trends of some organizations under the direct administration of the prefecture in taking advantage of administrative reforms to illegally divide or indiscriminately issue state funds. In violation of the financial system, the organs of the prefectoral administrative office and the prefectoral CPC Committee have already paid everyone ahead of schedule, in January of this year, for the entire year's allowances for baths and haircuts. Twenty-nine of the 41 units under the direct administration of the prefecture had paid everyone ahead of schedule for the entire year's allowances for baths and haircuts. Some of the units had divided the entire year's collective welfare funds for cooling and heating in equal portions among their staff members. The prefectoral bureau of chemical engineering took the opportunity of administrative reform to divide 8,350 yuan of public funds, on seven occasions, among its staff members, with an average of 174 yuan for each person.

On the basis of the complaints filed by the masses, the provincial Discipline Inspection Commission conducted an investigation of these cases. The provincial CPC Committee adopted a decision on 16 April to issue a serious warning to secretary Wang Lianfu of the Xiangtan Prefectural CPC Committee, to issue a warning to Shi Weigang, deputy secretary of the prefectoral CPC Committee and commissioner of the prefectoral administrative office, and to relieve Hu Muyao from his post as member of the party group of the prefectoral finance office and Hou Yin from his post as the secretary of the party group of the prefectoral bureau of chemical engineering. It also recommended that Hou Yin be relieved from his post as the chief of the aforementioned bureau and that other responsible cadres who had committed mistakes in this matter conduct serious self-examination. The provincial CPC Committee also decided: Those cadres at and above the county level who are party members must immediately return their bicycle coupons and those who had already bought the bicycles must return their bicycles for a refund. The bicycles will then be put on the market for sale according to the regulations. All kinds of welfare funds released ahead of schedule must be retrieved in full. The leading comrades of the departments concerned will be held responsible for retrieving other public funds and assets that have been illegally divided among the people or indiscriminately issued.

In its report the provincial CPC Committee said that the provincial CPC Committee is currently investigating and handling the three cases that have been recently discovered. The three cases involve the storage and transport company of the provincial department of commerce and the Hengnan County Industrial and Mining Company taking advantage of administrative reform to illegally distribute state assets as well as the Hunan Transport Company in Hengyang, under the administration of the provincial department of communications, spending a large amount of state funds in eating and drinking extravagantly when it took over the Laiyang station.

YUAN BAOHUA SPEAKS ON ENTERPRISE CONSOLIDATION

OW290556 Beijing XINHUA Domestic Service in Chinese 1240 GMT 28 May 83

[Text] Beijing, 28 May (XINHUA) -- Yuan Baohua, head of the national leading group for enterprise consolidation, said that the progress of enterprise consolidation in most areas is rather slow and that in some localities this work is at standstill or nearly so. If the leadership is not strengthened and measures are not taken enterprise consolidation may be reduced to a mere formality.

Yuan Baohua pointed this out at a meeting on enterprise consolidation that opened today. The meeting was attended by personnel of various departments under the State Council.

Yuan Baohua said that the main problems in the present work of enterprise consolidation are the slow progress and few results and the ineffective leadership in many localities. It was originally estimated that 20 percent of the first 1,320 big and medium key enterprises to be consolidated would be consolidated, checked and certified as consolidated by the end of last year; but, in fact, only about 15 percent of these enterprises were consolidated, checked and certified as consolidated by the first quarter of this year. It was expected that the leading bodies of 2,363 big and medium key enterprises in various parts of the country would be readjusted in the first half of this year; but, as of now, only two-thirds of the leading bodies of such enterprises in localities with the fastest progress in this work have been readjusted. In most other localities only about half of such enterprises' leading bodies have been readjusted.

In analyzing the causes for the slow progress in the work of enterprise consolidation, Yuan Baohua said that one main cause is that many localities have relaxed their efforts to exercise organizational leadership over the work of enterprise consolidation because of the organizational reform of the provincial and municipal administrative structure and the readjustment of leading bodies. In addition, another important cause is our failure in guiding ideology to properly handle the relationship between enterprise consolidation on the one hand and the organizational reform, the reform of the economic system and production on the other.

In view of the problems in enterprise consolidation, Yuan Baohua put forward his opinions on how to speed up the enterprise consolidation and how to raise the quality of this work:

First, we should effectively strengthen our leadership over the work of enterprise consolidation. Making enterprise consolidation a success is an important link in fulfilling the strategic objective, priorities and measures laid down by the 12th party congress. Principal party and government leaders in all areas and departments should make conscientious efforts to do this work well. Through enterprise consolidation, reform and technical progress should be promoted and better economic results should be achieved. Ineffective leading groups for enterprise consolidation and inefficient working bodies in various provinces, municipalities, autonomous regions and the concerned departments under the State Council should be improved at once, and those that have stopped their work should immediately resume their work. Leaders at all levels should periodically study and make arrangements for the work of enterprise consolidation and institute a strict responsibility system.

Second, it is necessary to organize personnel to supervise and check on the work of enterprise consolidation. Various departments should organize investigation and inspection teams in early June and send them to the lower levels. These teams, with leading comrades at their head, should stay in the lower-level units to acquaint themselves with the situation there, to solve problems and to sum up experiences. A leading comrade of the party Central Committee recently said that if we only grasp professional measures when we do things it will not work; we must vigorously grasp ideological and political measures at the same time. If we only issued decrees and calls when handling problems it will not work; more importantly, we should organize effective supervision and inspection. We should conduct supervision and inspection as a major task to be carried out in bringing about a change for the better in the work style and standards of social conduct. Investigation and work teams sent by the central authorities should make arrangements for their work before going to the lower-level units and submit reports on their work upon their return.

In such reports they should deal not only with their impressions and what they have learned but also with what problems they have solved.

In addition, in checking and certifying enterprises as consolidated, attention should be paid to the proper standards. We should set high standards and strict requirements. We should not pay much attention to tedious formalities, however, but rather set practical and simplified standards in order to facilitate the inspection of consolidated enterprises and their certification as consolidated. It is impossible to solve all the problems of the enterprises through their consolidation. The stress of our present work should be put on strengthening the enterprises' leading cores, building normal order in production, and achieving better economic results in order to lay a sound foundation for building "six-good" enterprises. Other problems should be solved after the enterprises are checked and accepted as consolidated.

PARTY, STATE LEADERS ATTEND PHD AWARD CEREMONY

OW271320 Beijing XINHUA in English 1226 GMT 27 May 83

[Text] Beijing, May 27 (XINHUA) -- Academic degree diplomas were awarded this afternoon at China's first group conferral of 18 Ph.D.s, at a mass meeting at Beijing's Great Hall of the People.

Party and state leaders Wang Zhen, Fang Yi, Hu Qiaomu, Yao Yilin, Deng Liqun, Hu Qili and Xu Deheng attended the meeting, which is co-sponsored by the Ministry of Education and the Beijing Municipal Government and presided by Beijing Mayor Chen Xitong.

The meeting was attended by 3,000 degree recipients, their tutors and representatives of post-graduate students.

Addressing the meeting, Hu Qiaomu, chairman of the State Council's Academic Degrees Committee, said, China did not have a degree conferring system before and this is the first time in China's history that it is relying on its own efforts to train its senior professionals. Whether China can independently train the talent it needs for socialist modernization, particularly high level personnel with a Ph.D. or master degree, has become the crux for the success of socialist construction as well as a key question concerning the independent and comprehensive development of the country's education.

However, he added, while building up its new degree system to suit the characteristics of Chinese society, a certain numbers of research students would continue to be sent abroad in certain branches of science which are relatively weak in China and to promote international academic exchange. Foreign scholars and specialists will also be invited to help in tutoring the graduate students.

Delivering a work report, the degrees committee Vice-Chairman He Dongchang said the 18 Ph.D.s had acquired their degrees between February 1982 and March 1983 from eight units including the Chinese Academy of Sciences and Chinese University of Science and Technology.

Their papers have elicited favorable comments from both Chinese and foreign specialists when they were published either in academic journals or read at symposiums. It is generally believed that China has maintained a high standard of quality in its academic degrees, said He Dongchang, who also serves as minister of education.

Since China's academic degree regulations went into effect at the beginning of 1981, he announced, nearly 15,000 students have received masters degrees and more than 320,000 bachelor degrees.

China is enrolling 15,000 postgraduates for doctorate and master's degrees this year, including 1,000 to be sent abroad.

The annual enrollment figure is scheduled to rise to 20,000 in 1985.

China now has 20,000 postgraduates studying for master's degrees and 1,000 for doctorate degrees.

Since the founding of the People's Republic, China has enrolled a total of over 60,000 postgraduates, including 43,000 admitted after 1978.

Hu Qiaomu's Address

OW280505 Beijing XINHUA Domestic Service in Chinese 1504 GMT 27 May 83

[Text] Beijing, 27 May (XINHUA) -- Hu Qiaomu has addressed a meeting jointly sponsored by the State Council's Academic Degrees Committee and the Beijing Municipal People's Government to present PhD and master's degrees to their recipients. The address, entitled "Train Our Senior Professionals Independently," reads in full as follows:

Comrades: On behalf of the party Central Committee and the State Council, I extend warm congratulations to the comrades who have received PhD or master's degrees and express heartfelt gratitude to the professors, scientists and educators who have educated them in an all-round way.

There were very few graduate students before the founding of New China; only a small number received a master's degree and no doctor's degree was conferred. After liberation, we trained large numbers of specialists in many fields, including some scientists who have made important contributions to the motherland's scientific work. Without a degree conferring system, however, they received no academic degrees; we are very sorry for them. Now there is a degree conferring system for the first time in China's history; we are relying on our own efforts to train a large number of people and confer PhD and master's degrees on them. This is an event worth celebrating in our country's history of education and scientific and technological development.

The whole nation is now concentrating on socialist modernization and striving to develop the social productive forces to build up a socialist material and spiritual civilization. At a time when science and technology is developing by leaps and bounds throughout the world, the role of science and technology in producing greater economic results is of growing importance. We have to rely on science and the training of talented people in science in order to develop the productive forces and the national economy. The building of a socialist spiritual civilization also urgently calls for large numbers of specialists. In this sense, the question of whether China can independently train the talent it needs for socialist modernization, particularly high-level personnel with a PhD or master's degree, has become the crux for the success of socialist modernization as well as a key question concerning the independent and comprehensive development of the country's education.

The system of graduate students and academic degrees is an effective system for training and selecting senior professionals which has been borne out by a long-standing history in many countries of the world. Now the system of postgraduate education has become an important component of higher socialist education in our country, and personages in various circles throughout the country are deeply concerned about the degree conferring system.

In the more than 600 institutes training graduate students in various parts of the country, some 20,000 students are studying for master's degrees, and nearly 1,000 for PhD degrees. Nearly 15,000 people have received their master's degrees in the past 2 years, and we are now beginning to confer PhD degrees on graduate students. Our country has initially built its own system of postgraduate education and has made big achievements in this regard. A new generation of academic leaders will grow at a faster pace in the future. Of course, the achievements we have made in this regard are still preliminary ones. In training senior specialists independently, it is necessary for various institutions training graduate students and conferring academic degrees to make continued efforts in this regard, and for the people in society to show concern for this work so that the system of graduate students and academic degrees with distinctive Chinese features will be consolidated and improved with each passing day. Parallel to this effort, a certain number of research students will continue to be selected and sent abroad for study in order to strengthen certain branches of science which are relatively weak in China and to promote international academic exchange.

In training senior professionals independently, it is necessary to actively prepare contingents of qualified personnel necessary for economic advancement and social development in the 1990's and train more people under the prerequisite of guaranteeing quality, in accordance with the demand of the country's socialist modernization. In training senior professionals it is necessary to pay keen attention to their quality. This means that politically they should resolutely adhere to the socialist orientation and professionally become experts capable of solving theoretical and practical problems that arise in the building of modernization and in achieving academic progress. The relatively small number of college graduates in our country still lack practical experience. In the work of academic degrees, it is necessary to formulate regulations for young scientists who have already started a career so they can obtain a PhD or master's degree. All fronts should actively support qualified young people, who aspire to pursue advanced study, in their effort to take the examination for candidates for a PhD or master's degree, thereby making greater contributions to the education of graduate students.

In order to train senior professionals it is necessary to make vigorous efforts to create a teaching and advisory force that draws in professors and scientists of high academic qualifications and with outstanding accomplishments. At present, the number of such professors and scientists is insufficient and pioneers are still needed in a few scientific fields. We must actively prepare good assistants for veteran scientists, discover and promote middle-aged pacesetters in science, advocate joint training of graduate students by colleges and universities, research institutions and production departments, in order to bring into full play the potentials of all fields. We must, in light of the needs of some new scientific fields or in those fields in which we are weak, solicit possible assistance from foreign scholars and specialists.

Institutes training graduate students should be the key units for building the country's higher education. It is necessary to select major institutes from among them and build up these institutes first. Government departments concerned should support these institutes with research forces, funds, capital construction and equipment. A few major universities and colleges with better conditions may experiment with setting up graduate schools in order to train more and better talented personnel, as well as to gain experience.

In training graduate students and conferring academic degrees, it is necessary to foster a good style of learning. It is necessary to educate graduate students throughout the country to learn from the fighting spirit of the Chinese women volleyball players, study hard and diligently with the aim of reaching the peaks of knowledge and science, assume a serious and scholarly attitude, acquire a sound training in basic theories and professional knowledge, link theory with practice, abide by professional ethics, and step up the efforts to learn from, give way to, and cooperate with each other academically.

Comrades who have received a doctorate or master's degree you are the first recipients of the academic degree in the New China. You are taking up a post at a time when the people of all nationalities in the country are striving to fulfill the magnificent goal by the end of this century. The party and people have great respect and high hopes for you. We have the hope that you will link the work you are engaged in with the future of the people and the destiny of the country, and closely link it with the cause of socialism and communism; that you will consciously display a sense of responsibility toward society and a spirit of dedication to the people; and that you will use your knowledge to serve this great undertaking. This meeting to award academic degrees is a mobilization meeting. We must strive to rejuvenate the Chinese nation and achieve academic progress in order to make our share of contributions to the great age.

Zhao Meets Graduates

OW272140 Beijing XINHUA Domestic Service in Chinese 1541 GMT 27 May 83

[By reporter Yang Jianye]

[Text] Beijing, 27 May (XINHUA) -- This afternoon Zhao Ziyang and other party and state leaders cordially met with China's first group of PhD's their tutors and representatives of China's first group of master's degree recipients and held discussions with them at the Hunan Room of the Great Hall of the People.

When the party and state leaders Zhao Ziyang, Wang Zhen, Fang Yi, Hu Qiaomu, Yao Yilin, Deng Liqun, Hu Qili and Xu Deheng and CPPCC National Committee Vice Chairmen Liu Lantao and Yang Xiufeng entered the room, the healthy looking and high-spirited PhD's masters and tutors waiting there greeted the leaders with warm applause.

Zhao Ziyang and other leaders shook hands and cordially chatted with them. Comrade Zhao Ziyang asked about a tutor's age. Happily he said that he had just found that tutors are not necessarily older than PhD's . Zhao Ziyang made an important speech during the discussion.

First, he said: I am here today to specially call on the PhD's and representatives of the masters trained and selected by ourselves. In addition, I would like to congratulate the tutors who provided you with painstaking guidance, and you comrades who have received the academic degrees. I would also like to express my gratitude and respect for the tutors.

Zhao Ziyang emphasized: Today is an important day in the history of Chinese education. From now on, we will have PhD's and master's degree recipients trained and selected by us. We may say that the event is a pioneer undertaking in our educational history. At the same time, it also earmarks a new level in our scientific and educational developments.

He said: Many comrades think that this group of PhD's and master's degree recipients are superior and up to the standard. I believe that their appraisal conforms to reality.

Zhao Ziyang put forward two expectations for the PhD and master's degree recipients.

He said: First, as PhD and master's degree recipients, you should be like the PhD's and masters in other countries. In other words, you should run neck and neck with your counterparts in other countries, including those scientifically and educationally developed countries, in terms of the ability to analyze and solve problems and professional competence. Second, as PhD master's degree holders in socialist China, you should have your own characteristics, reflect the spirit of the Chinese people and be builders of socialist spiritual civilization.

In conclusion, Zhao Ziyang said: I hope that you will continue your efforts and be worthy of the titles of PhDs and master's degrees conferred on you by the state.

Before the discussion began, Zhao Ziyang and other party and state leaders had a group picture taken with the academic degree recipients and the tutors.

The PhD recipients present at the meeting were Ma Zhongqi, Xi Huimin, Huang Chaoshang, Xu Gongqiao, Xu Wenyao, Bai Zhidong, Zhao Lincheng, Li Shangzhi, Fan Hongwen, Xian Zun, Su Chun, Hong Jiaxing, Li Shaokuan, Zhang Yinnan, Tong Yusun, Wang Jianpan and Yu Xiuyan. The PhD's tutors were Dai Yuanben, Tang Zhisong, Zou Chenglu, Zhu Gangkun, Chen Xiru, Zeng Kencheng, Yuan Tunan, Wang Yuan, Gu Chaohao, Li Daqian, Yan Shaozong, Cao Xihua, and Pan Chengtong. The representatives of master's degree recipients were Ma Buzhou, Liu Kai, Zhang Zhusheng, Hou Chunxiao, Guo Zhan, Sheng Hongzhi, Xie Cuiwei, and Jing Tianshui.

Also present at the meeting were responsible persons of various departments concerned including He Dongchang, Chen Xitong, Wu Heng, Qian Sanqiang, Jiang Nanxiang, Zhou Yang, and Huang Xinbai.

YU QIULI AT DEFENSE SCIENCE, TECHNOLOGY SCHOOL

HK300404 Changsha Hunan Provincial Service in Mandarin 2310 GMT 28 May 83

[Text] According to HUNAN RIBAO, Yu Qiuli, deputy secretary general of the Central Military Commission of the CPC Central Committee and director of the PLA General Political Department, inspected the University of National Defense Science and Technology on the morning of 25 May and again on the afternoon of 26 May.

On the morning of 25 May, Comrade Yu Qiuli, accompanied by Wang Meng, political commissar of the Guangzhou PLA units, and Mao Zhiyong, first secretary of the Hunan Provincial CPC Committee, came by bus to inspect the university. After being briefed by President (Zhuang Yan) and Political Commissar (Li Zhongye) on the university, he visited the research center, the computer center, the office of the teaching and research group, and the laboratory, inspected pedagogic and scientific research work, and learned of the major achievements of scientific research.

On the afternoon of 26 May, Comrade Yu Qiuli specially received elderly professors and retired veteran cadres of the university.

LEADERS MEET EDUCATION, SCIENCE DELEGATES

OW281106 Beijing Domestic Service in Mandarin 1200 GMT 27 May 83

[Text] Party and state leaders Wang Zhen, Fang Yi, Hu Qiaomu, Yao Yilin, Deng Liqun, Hu Qili and Xu Deheng and vice chairman of the CPPCC National Committee Liu Lantao had a cordial meeting at the Great Hall of the People this afternoon with all the representatives attending the second national educational and scientific planning conference, and posed for a picture with them.

The second national educational and scientific planning conference, which is being held in Beijing, began on 24 May. Its main tasks include reviewing the results of scientific planning since April 1979 when the first national educational and scientific planning conference was held, further defining the guiding ideology as well as the policies and tasks for educational and scientific development, discussing how to implement the state's major educational and scientific projects and exchanging opinions on the 1983-1990 educational and scientific development plan.

WAN LI SPEAKS AT CLOSE OF SEA FISHERY MEETING

OW291402 Beijing XINHUA Domestic Service in Chinese 1155 GMT 27 May 83

[By RENMIN RIBAO reporter Jiang Shijie and XINHUA reporter Ren Zeli]

[Text] Beijing, 27 May (XINHUA) — Efforts should be made to develop the quality and range of sea fishery; no attempt should be spared to protect offshore resources, develop breeding and proliferation undertakings and outer sea fishery, and carefully process aquatic products to preserve their freshness. We must earnestly correct the situation whereby aquatic products, in processing, go from live to dead, from dead to smelly or from smelly to rotten, causing loss to the state and depriving people of access to fish. These were points made by State Council Vice Premier Wan Li when he spoke at today's closing of the national conference on sea fishery work convened by the Ministry of Agriculture, Animal Husbandry and Fishery.

The conference was held from 19 to 27 May in Beijing. It noted that the certain achievements have been made by China's sea fishing industry through more than 4 years of re-adjustment. Nevertheless, a number of unresolved and outstanding problems still remain. These include, for example, excessive offshore fishing, declining reserves of major cash fish resources, inadequate tapping of fishery resources in the outer sea fishing ground and at the middle and upper ocean layers, and so on. According to estimates of aquatic products specialists, the total volume of the actual catch by China and neighboring countries and regions in the four large fishing areas of the Bohai Sea, Yellow Sea, East China Sea and South China Sea has exceeded the 1 million metric ton limit that fishery resources can tolerate. Protection of these resources is a top priority matter.

In view of this situation, aquatic product specialists and workers from various localities who attended the conference held that, to create a new situation in sea fishery, four kinds of changes must be made. In operations the fishery industry, collectively, must change from the past practice of fishing only in coastal areas to gradually moving toward the outer seas, and state-run fishing vessels should take the lead in opening up new fishing grounds in the outer seas. In varieties of catch, the practice of fishing mainly for greater and lesser croakers, the hairtail and the cuttlefish should change, and attention be shifted to varieties that have not been fully tapped -- with those at middle and upper ocean layers as the most immediate fishing target. In operations, the use of bottom-towing trawlers and fixed quota methods as the main operation forms should change, and diversified operation -- including seining, drifting and hooking -- should be developed in a planned way. In production operations, the practice of relying entirely on natural resources should change, to combine catching with developing ocean breeding and proliferation efforts and to build a fine fishery ecological system to provide a reliable foundation for increased production.

To make these changes possible, it is necessary to strengthen further fishery administration. We must resolutely implement regulations enforced one by one in the past few years, as well as other fishery laws and regulations. These include regulations that limit the development of offshore fishing vessels, require possession of a permit to fish, prohibit fishing in off-limit areas, during no-fishing periods or in fish preservation zones. Propaganda and education must be carried out among fishermen to make sure that each member of each household understands these regulations, to advise everyone to keep offshore fishing in check, and to strive to create a new fishery work situation within a short time.

HU QIAOMU ATTENDS DANCE PERFORMANCE 28 MAY

OW290018 Beijing XINHUA Domestic Service in Chinese 1602 GMT 28 May 83

[By reporter Li Xiuqing]

[Text] Beijing, 28 May (XINHUA) -- Hu Qiaomu, member of the Political Bureau of the CPC Central Committee, tonight watched the performance by the dance troupe of the PLA General Political Department marking the 30th anniversary of the founding of the troupe.

The dance troupe of the PLA General Political Department was organized in 1953. It is an influential art group throughout the Army and the entire country. Most of the programs performed tonight were new creations by the troupe's art and literary fighters, including chorus, solo, instrument solo, group dance and pas de deux. All the performances warmly praised the favorable situation prevailing in the Army and in all fields of endeavor throughout the country since the 3d Plenary Session of the 11th CPC Central Committee.

Huang Yukin, deputy director of the General Political Department, and others accompanied Hu Qiaomu to the performance.

WEI GUOQING, OTHERS AT CHILDREN'S DAY FETE

OW310508 Beijing XINHUA Domestic Service in Chinese 1316 GMT 30 May 83

[By reporters Yang Huimin and Zhang Baorui]

[Excerpts] Beijing, 30 May (XINHUA) -- More than 10,000 children and over 5,000 elderly people held a get-together at the Shoudi Gymnasium today to mark the "1 June" Children's Day and to respect the aged and love the young. Wei Guoqing, Ngapoi Ngawang Jigme, Xu Deheng, Zhu Xuefan, Wang Shoudao, He Changgong and Cheng Zihua attended the get-together to extend festival greetings to the children.

On behalf of the elderly people attending the get-together, Yu Guanghan, chairman of the Chinese National Committee on the Question of Old Age, wished that children make daily progress and grow up in a healthy way. He said: Our country has nearly 100 million people at the age of 60 or older and nearly 300 million children. The aged and the young account for more than one-third of our country's total population. These two generations should respect and love each other.

Responsible persons of the China Association for Science and Technology, the CYL Central Committee, the All-China Women's Federation, the Beijing Municipal CPC Committee and other departments concerned also attended the get-together.

YANAN FORUM MARKS ANNIVERSARY OF MAO'S 'TALKS'

OW271319 Beijing XINHUA Domestic Service in Chinese 0946 GMT 24 May 83

[By reporter Hong Yan]

[Text] Yanan, 24 May (XINHUA) -- On the 41st anniversary of the publication of Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Art," the China Federation of Literary and Art Circles visiting group in Yanan and the Shaanxi Provincial CPC Committee's Propaganda Department held a joint forum in Yanan on 23 and 24 May to restudy the spirit of the "Talks" and review the glorious tradition of work in the fields of literature and art during the Yanan period.

Tao Dun, Huang He, Chen Jinqing, Li Jiantong, Ma Ning and Tian Hua in their speeches spoke highly of the profound influence produced by the "Talks" on China's literature and art since its publication 41 years ago.

They pointed out: Although the times are different, the basic spirit of the "Talks" and the revolutionary tradition of literature and art still radiate with brilliance. Since the 3d Plenary Session of the 11th CPC Central Committee, the series of building principles on literature and art expounded by the party Central Committee have further enriched and developed Marxism-Leninism-Mao Zedong Thought, which we should follow. To produce great works worthy of the times, writers must experience life at its source and share weal and woe with the masses. Literary and art workers of the older generation in particular should take up the important historical task of encouraging the young literary and art workers to temper themselves in hardships, inherit and carry forward the glorious traditions of the Yanan period of hard struggle, self-reliance and seeking truth from facts, and create outstanding works of literature and art to serve socialism and the people.

Some old writers and artists recalled the road they had taken with deep feeling. They said that in the past 40 years, no matter where they were carried by the waves of life, their sentimental attachment to Yanan had never been broken. Back in Yanan again, what they saw were tall buildings instead of cave dwellings, factories built on wasteland, trees growing on the once barren hills...Yanan has changed. But, the "old Eighth Route Army" work style of the Yanan people has not changed, and the songs of the war years are still ringing in the air. Many of them were moved to tears and composed impromptu poems to express their deep feelings for the old revolutionary base area.

EX-KUOMINTANG PILOT HONORED AT BEIJING RECEPTION

OW241437 Beijing XINHUA in English 1411 GMT 24 May 83

[Text] Beijing, May 24 (XINHUA) — Li Dawei, a former major in the Taiwan Air Force who flew to the mainland last month, was received by Chinese Democratic Party leaders at a reception sponsored by the National Committee of the Chinese People's Political Consultative Conference here this afternoon. Xiao Ke, vice chairman of the committee, said Li Dawei's action manifested the Chinese people's aspiration for unity and reunification. The former Kuomintang major flew his U-6A plane from Taiwan to Fujian Province on April 22.

TAIWAN STAND ON HIJACKING SAID TO BE 'ABSURD'

HK270754 Beijing ZHONGGUO XINWEN SHE in Chinese 0824 GMT 26 May 83

[Commentary by Xiang Min: "The Absurd Argument of a 'Robber's Defender'" — ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 26 May (ZHONGGUO XINWEN SHE) -- On 20 May Taiwan newspapers published amazing remarks by some "Legislative Yuan members" who argued that the action taken by Zhuo Changren and his ilk in hijacking a CAAC airliner "was neither a 'hijacking' nor a 'seizing' of the airliner, but was 'borrowing' the airliner to head for freedom." They also criticized the "Foreign Ministry" of Taiwan which failed to carry on negotiations with the South Korean authorities on the issue of officially arresting Zhuo Changren and other hijacker criminals and which has adopted an "irresolute" and "leisurely" attitude toward the matter.

By hijacking an airliner full of passengers using armed force, Zhuo Changren and his ilk committed a flagrant crime, which is evident and known to all. But some political bigwigs in Taiwan have tried every conceivable means to absolve the gangsters of their crime, describing the hijacking crime as "borrowing an air plane" and a "righteous action." It seems that some people in Taiwan have changed from "defenders of feudal principals" to contemporary "defenders of robbers."

However, while these "defenders of robbers" were doing their utmost to absolve the gangsters of their crime, Taiwan's principal newspapers have successively reported the crackdown on several major criminal cases by Taiwan's police, which has inspired the Taiwanese people, who have been disturbed by various criminal cases, and has made them show respect and admiration for the police. The fact that people long for peace and hate criminals runs counter and constitutes a sharp contrast to some Taiwanese political bigwigs' absurd arguments of "defending robbers."

According to the argument of these "defenders and robbers" that hijacking an airliner could be changed to "borrowing an airliner," then the robbery of the Shihua [0013 5478] Bank involving the largest amount stolen in Taiwan's history, the robbery of San Xin [0006 0207] in Jiayi, and the robbery of Tu Yin [0960 6892] by Li Shike, can all be described as cases of borrowing money. Since hijacking criminals "can borrow an airliner to head for freedom," then various criminals in Taiwan could escape punishment and "head for freedom" under the excuse of "borrowing" guns, money, and others' lives. We would like to ask these political bigwigs in Taiwan: In a society in which "justice is dying and monsters are growing," social order is becoming increasingly bad, and various criminal cases are increasing year by year, what will be the consequences to public order in Taiwan and what misfortune will you bring to the Taiwanese people by creating and publicizing arguments that "defend robbers?" Will you "lift a rock to strike at your own feet" by camouflaging the hijacker criminals?

PRC, TAIWAN ATHLETES COMPETE IN SPORTS EVENTS

Tokyo Pentathlon Contest

OW281013 Beijing XINHUA Domestic Service in Chinese 1434 GMT 27 May 83

[Text] Tokyo, 27 May (XINHUA) -- Newsletter: "Meeting Again in Tokyo -- On Athletes From Both Sides of the Taiwan Strait Participating in the Modern Pentathlon Tournament"

The Chinese delegation to the Asian region of the 1983 world pentathlon championship tournament arrived in Tokyo from Beijing by plane on 19 May. On the way from Narita Airport to Tokyo by bus, a Japanese friend from the tournament organizational committee told Ma Qingshan, head of the Chinese delegation, that "the Chinese Taipei delegation arrived in Tokyo on 16 May. Last year members of this delegation did not stay in the same hotel with you, but this year you will all stay at the Prince Hotel in Shinjuku." Upon hearing this, Ma Qingshan said happily: "That is great. By staying in the same hotel, we'll be able to exchange techniques and have friendly chats about things."

The young athletes from both sides of the Taiwan Strait met shortly after the Chinese delegation arrived at the hotel. Shaking hands cordially, they exchanged greetings, expressing the profound sentiments of compatriots with flesh and blood closeness. In the 8 days that followed, athletes of the Chinese team and the Chinese Taipei team discussed techniques and skills in the hotel, on the bus, during practice, and in the field and competed seriously. Deeply touched by the sight, a Japanese friend said: The Chinese athletes from both sides of the Taiwan Strait have become more intimate than last year.

The modern pentathlon includes fencing, swimming, target shooting, cross-country running, and horsemanship. These sports impose great demands on the athletes. The Chinese and the Chinese Taipei team each has four athletes participating in this tournament. Noting that the athletes from the mainland are in excellent physical shape and score well, members of the Chinese Taipei delegation said admiringly: "These several young men are well chosen. China can certainly pick fine all-round athletes." At the swimming contest held at Yoyogi stadium in Tokyo on 23 May, people naturally thought about the 37th world table tennis championship tournament that just ended there. When the subject was brought up a Taipei delegate remarked excitedly about the Chinese table tennis players who won championships in six events: "This is a good thing that brought honor to China." Wang Yuding, head of the Chinese Taipei delegation, told Chinese delegation head Ma Qingshan that he is a native of Nanyang, Honan, who has been living in Taiwan for over 30 years. Ma Qingshan said: "What a coincidence. We have here a mainland athlete from your home town!" Then, Ma Qingshan introduced Fan Bing from Nanyang, Honan, to Wang Yuding. Wasting no time, Wang Yuding asked Fan Bing: "When I left my home for Taiwan more than 30 years ago, life in Honan was difficult. How is it today?" Fan Bing said: "Honan has undergone tremendous changes. With the implementation of the responsibility system, the peasants are very enthusiastic about production. Living standards have also risen very rapidly." Ma Qingshan said: "This does not apply only to Honan; tremendous changes have also taken place in the rural areas throughout the country. More houses are being built in the countryside, where more people are buying television sets. Many peasants have become well-to-do." Wang Yuding said: It is good that we Chinese people are becoming well off. Making China prosperous is our common aspiration."

Ma Qingshan, a permanent board member of the Taiwan Equestrian and Target Shooting Association for 20 years, is also a renowned sharpshooter. Woman track and field star Ji Zheng and "Asian Iron Man" Yang Chuanguang are all old friends of his. Ma Qingshan has not seen them since he returned to the mainland in 1964. During the pentathlon tournament in Tokyo last year, Ma Qingshan had especially asked Chen Xiuhui of the Chinese Taipei team to send his regards to his old friends in Taiwan.

Ma Qingshan was pleasantly surprised when Yang Chuanguang also came to Tokyo to watch the tournament this year. When the "sharpshooter" and the "Asian Iron Man" met in Tokyo again, they grasped each other's hands tightly and remained speechless for a long time. Noting Ma Qingshan's jet black hair and rosy cheeks, Yang Chuanguang said with emotion: "You haven't changed much!" Ma Qingshan said: "I am getting old but I am happy and in excellent health." The two old friends chatted about things in the past and asked about each other's work and life for a long time; they could not bear to say goodbye.

Hong Kong Judo Tournament

OW310404 Beijing XINHUA Domestic Service in Chinese 1515 GMT 29 May 83

[Excerpts] Hong Kong, 29 May (XINHUA) — The third Asian championship judo tournament ended in Hong Kong today after a 2-day match. China won two bronze medals during this tournament in which only seven of its male athletes participated. This sport has gradually developed in China during the past 2 or 3 years. China joined the Asian Judo League in January of this year. This is the first time China has participated in a large-scale international judo tournament.

The male athletes of the Chinese team and the Chinese Taipei team competed against each other in four matches with each team winning two matches. Athletes from both sides shook hands and congratulated each other after the matches to the warm welcome of the audience.

WEN WEI PO NOTES BALDRIGE COMMENTS ON PRC TIES

HK270840 Hong Kong WEN WEI PAO in Chinese 26 May 83 p 1

[Report from Beijing on 25 May by Cheng Xiang: "Baldrige Discloses at a Press Conference That Reagan Attaches Importance to Sino-U.S. Relations and Will Create Conditions To Promote Trade Between the Two Countries" -- capitalized passages published in boldface]

[Text] At a press conference today U.S. Secretary of Commerce Malcolm Baldrige reported on the results achieved by the Sino-U.S. Joint Committee on Commerce and Trade. The following is his speech at the conference: I am encouraged by the meetings of the Sino-U.S. Joint Committee on Commerce and Trade and the cooperative and friendly atmosphere there. The holding of the meeting itself is a great success, because it has created a favorable situation for Sino-U.S. trade. During my talks with Chinese Premier Zhao Ziyang and Chinese Minister of Foreign Economic Relations and Trade Chen Muhua, I emphasized the importance of Sino-U.S. relations and President Reagan's concern about the current talks. This morning I presented Premier Zhao Ziyang with a personal letter from President Reagan, and I also explained to the Chinese side the United States' determination to relax restrictions on the transfer of technology to China and reiterated our determination to assist China in its efforts to build the four modernizations. Meetings of experts have also facilitated understanding concerning some difficult problems in our bilateral trade relations. The meetings were filled with resolve and wish to regain the momentum in bilateral trade.

THE TEXTILES PROBLEM: Both sides have agreed that negotiation should resume in order to reach an agreement.

COOPERATION IN MINING: China has rich resources and some of the mineral resources are the richest in the world. The United States has very nice technology and some items are the most sophisticated in the world. Therefore, both sides have agreed in principle to hold detailed talks so that a fair agreement of cooperation can be reached. With regard to a "bilateral investment agreement," both sides have exchanged their respective drafts, and they are ready to hold talks on 1 June. This agreement will incorporate such problems of investment as methods of regulating disputes concerning remittance of profits out of China. The solution of these problems will be helpful for American companies to invest in China.

SEMINAR ON ECONOMICS AND TRADE LAWS: In order to enable both sides to have a better understanding of their respective laws and working methods, the United States will send experts on economics and trade laws to China this year, and China will send a similar delegation to the United States next year to promote mutual understanding between the two countries.

"THE AMERICAN OVERSEAS PRIVATE INVESTMENT COMPANY": The United States proposed that this company send an investment team composed of American merchants to China to investigate and evaluate items for investment. Our experience has shown that visits of this kind will often lead to a substantial increase in the investment in the country visited. The Chinese side expressed that it will actively consider this proposal.

PLANS FOR TRADE DEVELOPMENT: China agrees to provide the United States with a list of priority construction projects. The United States will consider assisting in feasibility studies of these projects. This will greatly facilitate trade opportunities for American companies.

DELEGATION ON COAL TECHNOLOGY: In order to respond to the visit to the United States by a Chinese delegation on coal technology, the United States will send a delegation of coal transportation experts to China to discuss modern methods of coal transportation.

TELECOMMUNICATIONS: We hope that a notice of intention [yi xiang shu 1942 0686 2579] concerning matters of telecommunications can be signed within a short time.

WEN WEI PO: PRC-U.S. TALKS RESULT IN CAUTIOUS OPTIMISM

HK270950 Hong Kong WEN WEI PO in Chinese 27 May 83 p 2

[Editorial: "Perhaps We Can Be Circumspectly Optimistic About Sino-American Trade"]

[Text] The sale of U.S. arms to Taiwan and the granting of political asylum to Hu Na have cast a deep shadow over Sino-U.S. relations. The deadlock in the textile talks, the claims concerning the Huguang railway bond, and the obstruction of China's entry into the Asian Development Bank have also made China very unhappy. Under these kinds of conditions, the Sino-U.S. trade talk is inclined to be conspicuous.

The visit of U.S. Secretary of Commerce Malcolm Baldrige to China has played the role of giving impetus to the Sino-U.S. joint commission on commerce and trade. From now on, both sides will meet once a year to discuss economic and technological cooperation as well as bilateral trade. Baldrige expressed that the United States is willing to export a higher level of technology to China and that there will be fruitful results in the textile talks to be held in June. He held that relations between China and the United States are full of vitality and that he has confidence in promoting economic and technological cooperation as well as commerical intercourse between the two countries. Outwardly, Baldrige's attitude is positive, and if the words accord with action, there will be a new development in Sino-U.S. economic and trade relations.

What is the factor promoting the change in U.S. trade relations with China? Although the present volume of Sino-U.S. trade increased several times over since the establishment of diplomatic relations, it is still rather insignificant, and last year's bilateral trade was less than \$5.2 billion. However, a government with foresight not only must notice the present situation, it must also look toward the future and take a long-term view. China is no doubt a great commodity and investment market with great potential. China is stepping up the development of her abundant resources, such energy resources as petroleum and coal in particular. The oil fields of the South China Sea and the coal mines of Shanxi have profoundly attracted the interest of U.S. investors.

China will introduce an enormous amount of the world's advanced technology to guarantee the key construction projects and transform existing enterprises and China will be an extremely attractive commodity market. China's foreign trade has become more active day by day and her foreign exchange reserve is constantly increasing. This means that China has greatly improved her ability to pay for foreign trade and is capable of engaging in more and more international trade.

In the course of the four modernizations, China will need international cooperation. As a capitalist country, the United States cannot avoid experiencing repetitious economic crises caused by overproduction and provoking increasingly acute trade friction with various Western countries with similar problems. Where can it find an outlet? Western Europe has turned to the Soviet Union for a market, so why can't the United States look for an outlet in China? Several months ago, in retaliation against the U.S. import restriction on textile goods, China stopped buying soybeans, cotton, and synthetic fibers from the United States, and the prices of such products have fallen. From this we can see that the United States still needs the China market.

The Americans used to think that China needs the United States. As a matter of fact, the economic relationship is a question of helping to supply each other's need on the basic of equality and mutual benefit. Who can say who needs whom? Moreover, there is no monopoly on advanced technology. Why must China be dependent on the United States?

For 20 to 30 years, Sino-U.S. trade was practically zero, but did the Chinese economy not make rapid development? Now that China has already established an independent industrial foundation, is it conceivable that she must instead curry to the whims of the United States? The important thing is to have mutual trust, this is the prerequisite whether or not bilateral economic and trade relations is promoted. No matter what good words Reagan has put in or what promises he has made in his letter to Zhao Ziyang, improving Sino-U.S. relations depends on whether the action of the U.S. Government is as good as its word. Only in this way can we be circumspectly optimistic about Sino-U.S. relations.

BANK OF CHINA SEEKS STABLE HONG KONG DOLLAR

HK260412 Hong Kong TA KUNG PAO in English 26 May 83 p 1

[Text] The Hong Kong Government has been asked to stabilize the Hong Kong dollar by Jiang Wengui, deputy chairman of the Board of Directors of the Bank of China and general manager of its Hong Kong branch. Interviewed by TA KUNG PAO reporter yesterday, he pointed out that the steep decline of the Hong Kong dollar's exchange rate, as far as the Hong Kong exchange market is concerned, was mainly stirred up by a small number of speculators by taking advantage of the strengthening of the U.S. dollar.

Calling upon the Hong Kong Government to stabilize the Hong Kong dollar, Jiang said that this is its obligation. At least, he said, the Hong Kong Government should take the first step by exempting the Hong Kong dollar deposits from the present withholding tax. Jiang pointed out: "The Bank of China has long advocated the abolition of all withholding taxes. The present withholding tax which only applies to Hong Kong dollar deposits is a fetter on the dollar. Nothing could have been more wrong than discriminating one's own currency. It is time that the tax was abolished."

"Furthermore," Jiang said, "the authorities should take steps to control the ongoing inflation and quell the speculations on the foreign exchange market."

HONG KONG MAY REMAIN SPECIAL ZONE FOR 'LONG TIME'

HK300200 Hong Kong SOUTH CHINA MORNING POST in English 30 May 83 pp 1, 32

[Text] Beijing, May 29 -- Hong Kong could remain a special administrative zone for a long time after the territory's sovereignty reverts to China. This assurance was given by the Chinese Government today when replying to a list of questions from a group of Hong Kong journalists currently visiting Beijing. The Chinese Government said it would adopt a series of measures to ensure the prosperity and stability of Hong Kong after it regained sovereignty. These included not changing the present social and economic system.

It also said China would not change this policy for a long time. The statement came eight days after Hong Kong's former governor, Lord Maclehone, warned in London of the problem of how to convince Hong Kong people and investors that any acceptable package on the territory's future, once reached, would last. However, the Chinese reply today did not shed any light on the progress of the talks on Hong Kong's future, except to say they were continuing. The Chinese Government had been asked by the journalists whether the current talks were on procedural matters or had entered a substantive stage.

Asked about the attitude of the Chinese Government in the talks, the statement said the Chinese Government adopted a "positive attitude." It also reiterated the Chinese Government's wish to obtain a satisfactory result in the talks, but it said the Chinese Government could not comment on the contents of the discussions. The journalist delegation, which arrived in Beijing on Wednesday, had made repeated attempts to meet relevant Chinese officials about Hong Kong's future, but to no avail. The delegation was told there was nothing new to talk about on the subject. Eventually the delegation sent seven questions to the Chinese authorities on the subject of Hong Kong's future through the All-China Journalists Association yesterday. A reply was received this evening.

It reiterated the Chinese Government's longstanding view on the Hong Kong issue. "Hong Kong is part of China. We must take back its sovereignty. When China exercises its sovereignty, Hong Kong will become a special administrative zone run by the people of Hong Kong. A series of special measures, including not changing the socioeconomic system of Hong Kong, will be taken to ensure the prosperity and stability of Hong Kong. China will not change the above-mentioned policy for a long time." The statement did not answer a question about representatives of the Chinese side in the talks. And it shed no light on the question of whether Article 31 of the Chinese Constitution, regarding special administrative zones, would be discussed at the Sixth National People's Congress.

Meanwhile, a prominent Chinese economist, Professor Yong Longgui, said he believed the current fall in the value of the Hong Kong dollar was only a temporary phenomenon due to speculation. As an economist, Professor Yong urged Hong Kong people to attempt to look at the long term future of the Hong Kong currency, based on its underlying economic strength. He said it was not for the Bank of China to intervene as the Hong Kong dollar was issued by the Hong Kong and Shanghai Banking Corporation the Chartered Bank and the Hong Kong Government. Professor Yong, whose work is connected with the State Planning Commission of the Chinese State Council, said China has not considered using other currencies for its trade with Hong Kong, despite the depreciation of the Hong Kong dollar. On other matters, Professor Yong said the Chinese Government was discussing the proposed nuclear plant in Guangdong with both France and Britain. He added that the discussions were now in their final stage.

PRC MAY PURCHASE UK EQUIPMENT FOR OIL PROGRAM

HK300216 Hong Kong SOUTH CHINA MORNING POST in English 30 May 83 Business News p 1

[By "our London correspondent" Neil Harris]

[Excerpts] A top-level mission from Shenzhen has completed a week of talks with industrialists and planners in Britain's Northeast which could lead to purchases of British equipment for China's offshore oil programme. The special economic zone's first "exploratory" visit to a foreign country is led by the deputy major of Shenzhen, Mr Zhou Ding. Accompanying him are the zone's secretary general, Mr Zou Erkang; its general manager, Mr Sun Kaipeng; and the secretary of the general office of the municipal authority, Mr Zhang Lilun.

The Beijing Government's choice of a consortium led by British Petroleum [BP] to lead the latest phase in the oil hunt could give the region an edge in sales to Shenzhen, businessmen think.

The head of the regional office of the British Overseas Trade Board, Mr Bob Anderson, told businessmen attending the Stockton [England] seminar that collaboration with the SEZ's [special economic zones] was among the most effective ways of achieving an impact on the Chinese domestic economy. The delegation members would not discuss whether British equipment would be bought for the onshore oil base, but emphasised that BP's experience in the North Sea -- in both production and safety -- was a significant factor in its selection by the Chinese Government. BP's contract provides for the transfer of some offshore technology to China and the training of China's most senior engineers for general application in industry. Mr Fraser said his impression was that "there may be a trend to buy British and European rather than over-reliance on the U.S. and Japan."

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